

May 10, 2011

Announcement of Business Results
For the Fiscal Year Ended March 2011 and
Business Forecast for the Fiscal Year
Ending March 2012



Toray Industries, Inc.

Contents

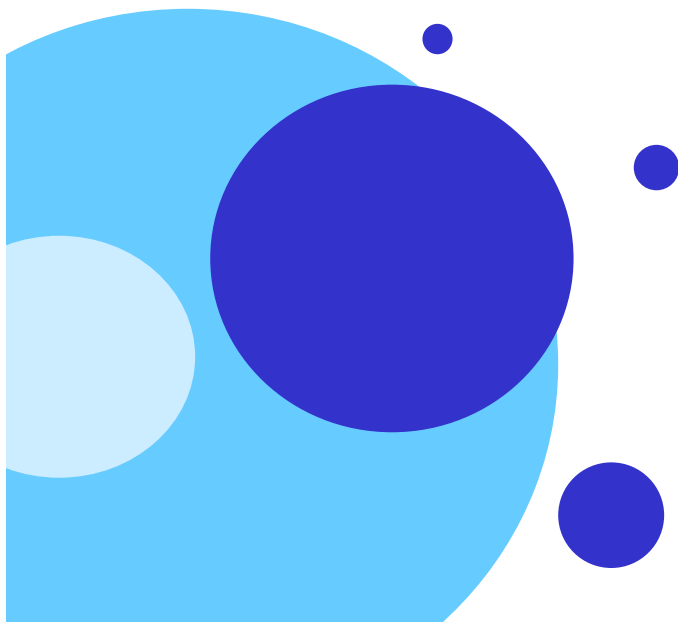
I. Business Results for the Fiscal Year Ended March 2010 (Consolidated Basis)

Summary of Consolidated Business Results for the Fiscal Year Ended March 2011	(P3)
Trends in Net Sales and Operating Income	(P4)
Total Assets, D/E Ratio and ROA · ROE	(P5)
Non-operating Income and Expenses	(P6)
Special Credits and Charges	(P7)
Assets, Liabilities, Net Assets and Free Cash Flows	(P8)
Net Sales and Operating Income by Segment	(P9)
Business Results by Segment	(P10-17)
Income Variance Factor Analysis	(P18)
Results of Major Projects under “IT-II”	(P19)
Improvement of Cash Flows and Reduction of Inventories	(P20)
Results of Major Subsidiaries	(P21)
Number of Employees, Changes in Subsidiaries and Affiliates	(P22)
3Q vs. 4Q Comparison of Operating Income by Segment	(P23)

II. Business Forecast for the Fiscal Year Ending March 2012 (Consolidated Basis)

Forecast Summary	(P25)
Forecast by Segment	(P26)
Trends in Capital Expenditures, Depreciation and R&D Expenses	(P27)
Trends in Consolidated Operating Income	(P28)
Outline of “Project AP-G 2013”	(P29)
Impact of the Great East Japan Earthquake	(P30)

I. Business Results for the Fiscal Year Ended March 2011 (Consolidated Basis)



Summary of Consolidated Business Results For the Fiscal Year Ended March 2011



Unit: Billion yen

	FY Mar/10			FY Mar/11			Changes
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	
Net Sales	617.9	741.7	1,359.6	733.4	806.3	1,539.7	+180.1 (+13.2%)
Cost of Sales	511.6	603.4	1,115.0	586.9	641.9	1,228.8	+113.8 (+10.2%)
Gross Profit	106.3	138.3	244.6	146.5	164.4	310.9	+66.3 (+27.1%)
(Gross Profit to Net Sales)	17.2%	18.6%	18.0%	20.0%	20.4%	20.2%	+2.2 points
Operating Income	5.5	34.6	40.1	42.5	57.6	100.1	+60.0 (+149.5%)
(Operating Income to Net Sales)	0.9%	4.7%	2.9%	5.8%	7.1%	6.5%	+3.6 points
Non-operating Income and Expenses, net	▲ 8.2	▲ 22.9	▲ 31.1	▲ 2.1	0.9	▲ 1.2	+29.9
Ordinary Income (Loss)	▲ 2.7	11.7	9.0	40.5	58.4	98.9	+89.9 (+998.0%)
Special Credits and Charges, net	▲ 5.0	▲ 6.4	▲ 11.4	▲ 4.5	▲ 11.5	▲ 16.0	- 4.6
Income (Loss) before Income Taxes	▲ 7.7	5.3	▲ 2.4	35.9	47.0	82.9	+85.3 (-)
Net Income (Loss)	▲ 6.3	▲ 7.8	▲ 14.2	24.9	33.0	57.9	+72.1 (-)
Net Income (Loss) per share	4.5 yen	5.6 yen	10.1 yen	16.0 yen	20.3 yen	36.4 yen	
Dividend per share	2.5 yen	2.5 yen	5.0 yen	2.5 yen	5.0 yen	7.5 yen	

Exchange Rate

<Yen/US\$>

FY Mar/10 → FY Mar/11

Average: 92.8 → 85.7

End of the term: 93.0 → 83.2

<Yen/Euro>

FY Mar/10 → FY Mar/11

Average: 131.2 → 113.1

End of the term: 124.9 → 117.6

Oil Price

<US\$/B> (DUBAI FOB)

FY Mar/10 → FY Mar/11

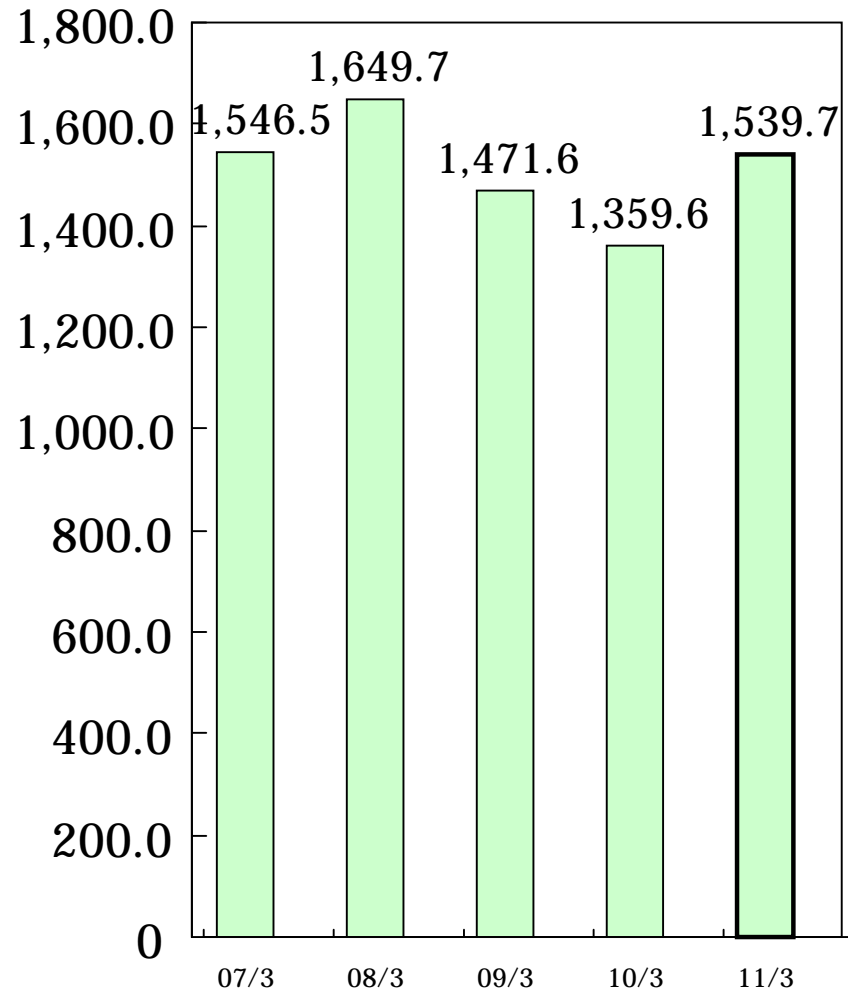
Average: 69.5 → 84.2

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

Trends in Net Sales and Operating Income

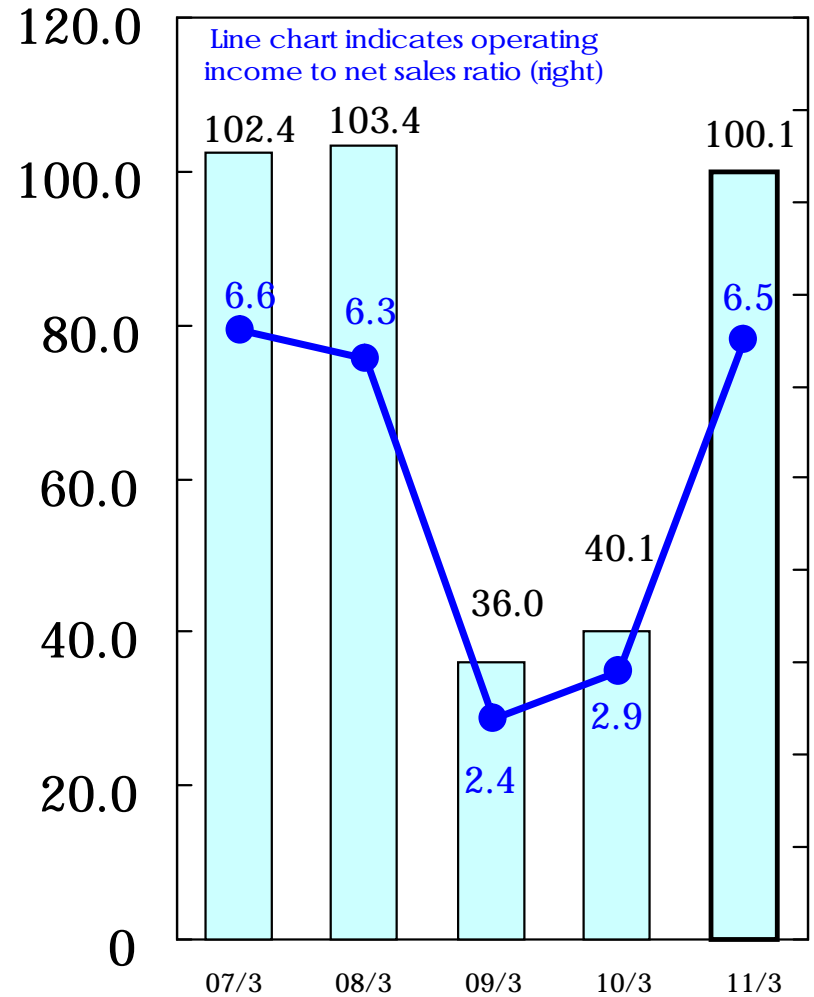
Billion yen

Net Sales



Billion yen

Operating Income



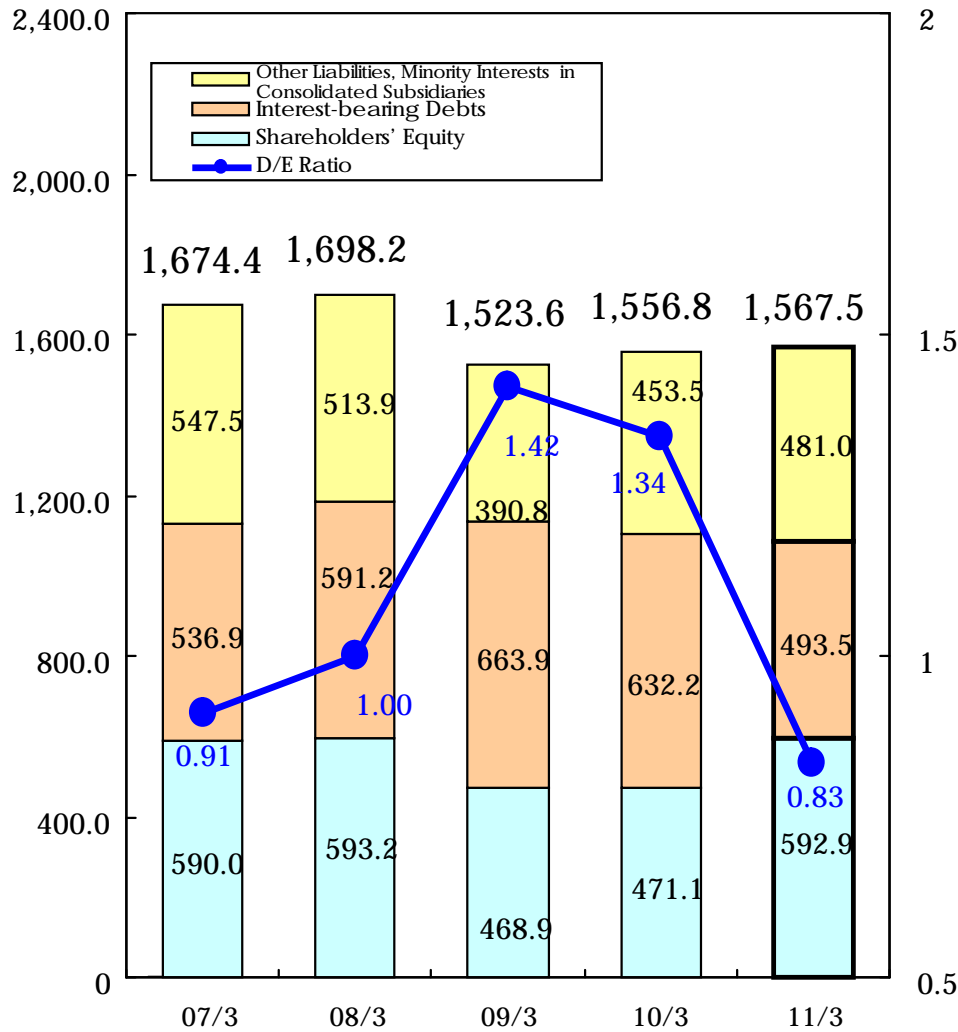
%

Total Assets, D/E Ratio and ROA · ROE

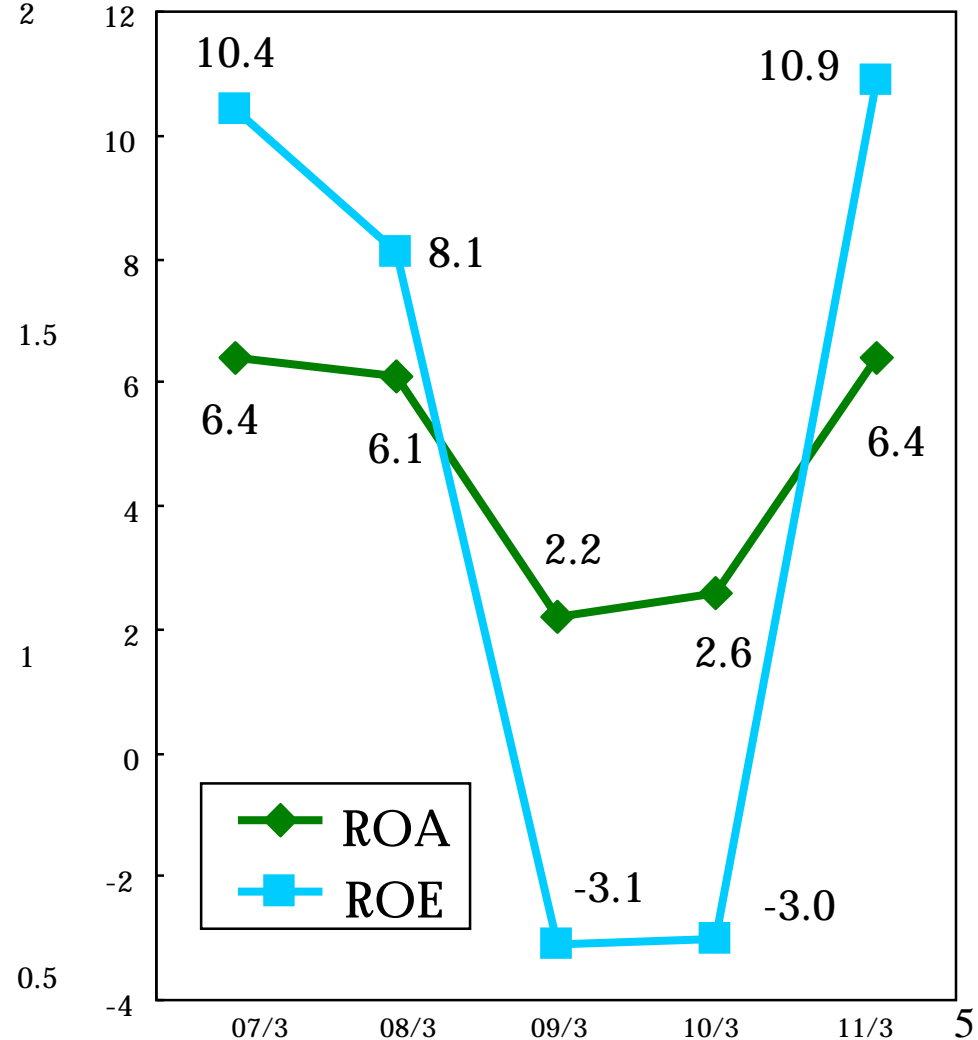


ROA = Operating Income / Total Assets
 ROE = Net Income / Shareholders' Equity

Billion yen **Total Assets, D/E Ratio** times



ROA · ROE %



Non-operating Income and Expenses

Billion yen

	FY Mar/10	FY Mar/11	Changes	Comments
Non-operating Income	7.0	14.4	+7.4	
Interest and Dividend Income	2.4	2.8	+0.3	
Equity in Earnings of Affiliates	-	6.3	+6.3	Improvement in performance of affiliates accounted for by equity method
Others	4.6	5.4	+0.8	
Non-operating Expenses	▲ 38.1	▲ 15.6	+22.5	
Interest Expenses	▲ 8.9	▲ 6.4	+2.6	
Equity in Losses of Affiliates	▲ 14.5	-	+14.5	
Costs related to Idle Facilities	▲ 6.9	▲ 2.4	+4.5	Rise in facility operating rates
Others	▲ 7.8	▲ 6.8	+1.0	
Non-operating Income and Expenses, net	▲ 31.1	▲ 1.2	+29.9	
Interest and Dividend Income, Interest Expenses, net	▲ 6.5	▲ 3.6	+2.9	

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

Special Credits and Charges

Billion yen

	FY Mar/10	FY Mar/11	Changes	Comments
Special Credits	1.9	3.1	+1.2	
Gain on Sales of Property, Plant and Equipment	1.6	1.4	-0.2	
Gain on Sales of Investment Securities	0.2	1.7	+1.5	
Others	0.1	-	-0.1	
Special Charges	▲ 13.3	▲ 19.1	-5.8	
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 4.9	▲ 4.5	+0.4	
Loss on Impairment of Fixed Assets	▲ 3.1	▲ 2.2	+0.9	
Loss on Disaster	-	▲ 1.9	-1.9	Loss on disaster of the Great East Japan Earthquake
Loss on Write-down of Investment Securities	▲ 2.3	▲ 3.5	-1.2	
Loss on Liquidation and Devaluation of Subsidiaries and Affiliated Companies	▲ 0.3	▲ 0.5	-0.2	
Restructuring Costs	▲ 1.4	▲ 4.4	-3.0	Increase of expenses due to corporate-structure reinforcement by changing pension system at a subsidiary in Europe
Environmental Expenses	▲ 1.0	-	+1.0	
Loss on Adjustment for Changes of Accounting Standards for Asset Retirement Obligations	-	▲ 1.4	-1.4	
Others	▲ 0.3	▲ 0.6	-0.4	
Special Credits and Charges, net	▲ 11.4	▲ 16.0	-4.6	

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

Assets, Liabilities, Net Assets, Free Cash Flows

Billion yen

	End of Mar/10	End of Mar/11	Changes	Comments
Total Assets	1,556.8	1,567.5	+10.7	
Current Assets	640.5	724.1	+83.6	Increase of cash and deposits, etc.
Tangible Assets	580.3	531.6	-48.7	Decrease of capital expenditures, etc.
Intangible Assets	10.4	9.3	-1.1	
Investment and Other Assets	325.6	302.5	-23.1	

	End of Mar/10	End of Mar/11	Changes	Comments
Total Liabilities	1,038.6	926.5	-112.1	
Current Liabilities	514.0	503.0	-11.0	
Other Liabilities	524.6	423.5	-101.1	Decrease in bonds and long-term borrowing, etc.
Total Net Assets	518.2	641.0	+122.8	Increase in common stock and capital surplus resulting from the issuance of new shares

<Free Cash Flows>

Billion yen

	FY Mar/10	FY Mar/11	Changes
Cash Flows from Operating Activities	166.2	129.2	-37.0
Cash Flows from Investment Activities	▲ 121.7	▲ 50.7	+71.0
Free Cash Flows	44.5	78.5	+34.0

Net Sales and Operating Income by Segment

Innovation by Chemistry

Unit: Billion yen

		Net Sales				Operating Income			
		FY Mar/10	FY Mar/11	Changes	(%)	FY Mar/10	FY Mar/11	Changes	(%)
Fibers & Textiles	1st Half	245.1	273.1	+28.0	(+11.4%)	2.8	13.6	+10.8	(+392.5%)
	2nd Half	280.1	311.1	+30.9	(+11.0%)	13.6	18.9	+5.3	(+39.2%)
	Total	525.2	584.1	+58.9	(+11.2%)	16.3	32.4	+16.1	(+98.8%)
Plastics & Chemicals	1st Half	153.7	186.5	+32.8	(+21.3%)	3.6	12.1	+8.5	(+238.7%)
	2nd Half	179.0	195.8	+16.7	(+9.4%)	8.0	15.0	+7.0	(+87.7%)
	Total	332.7	382.3	+49.6	(+14.9%)	11.6	27.1	+15.5	(+134.2%)
IT-related Products	1st Half	107.3	136.2	+28.9	(+26.9%)	7.4	21.3	+13.9	(+186.9%)
	2nd Half	123.1	125.9	+2.7	(+2.2%)	17.6	20.9	+3.4	(+19.1%)
	Total	230.4	262.0	+31.6	(+13.7%)	25.0	42.2	+17.2	(+68.9%)
Carbon Fiber Composite Materials	1st Half	21.0	31.9	+10.9	(+51.9%)	▲ 1.0	1.2	+2.3	(-)
	2nd Half	29.7	35.1	+5.4	(+18.3%)	▲ 4.3	2.0	+6.3	(-)
	Total	50.7	67.0	+16.3	(+32.2%)	▲ 5.3	3.3	+8.6	(-)
Environment & Engineering	1st Half	61.8	73.5	+11.7	(+18.9%)	▲ 0.3	▲ 1.5	-1.2	(-)
	2nd Half	98.0	104.7	+6.7	(+6.9%)	4.2	4.9	+0.7	(+16.8%)
	Total	159.8	178.2	+18.4	(+11.5%)	3.9	3.3	-0.5	(-13.0%)
Life Science	1st Half	22.3	25.5	+3.2	(+14.2%)	0.6	3.3	+2.8	(+500.7%)
	2nd Half	24.3	26.9	+2.6	(+10.7%)	2.2	2.8	+0.6	(+28.4%)
	Total	46.7	52.4	+5.8	(+12.4%)	2.7	6.1	+3.4	(+124.3%)
Others	1st Half	6.7	6.8	+0.1	(+0.9%)	0.1	0.4	+0.3	(+174.5%)
	2nd Half	7.4	6.9	-0.6	(-7.8%)	0.7	0.6	-0.1	(-12.6%)
	Total	14.1	13.6	-0.5	(-3.7%)	0.9	1.0	+0.2	(+19.1%)
Adjustment	1st Half					▲ 7.6	▲ 7.8	-0.3	
	2nd Half					▲ 7.4	▲ 7.7	-0.3	
	Total					▲ 14.9	▲ 15.5	-0.6	
Consolidated	1st Half	617.9	733.4	+115.4	(+18.7%)	5.5	42.5	+37.0	(+674.1%)
	2nd Half	741.7	806.3	+64.6	(+8.7%)	34.6	57.6	+23.0	(+66.3%)
	Total	1,359.6	1,539.7	+180.1	(+13.2%)	40.1	100.1	+60.0	(+149.5%)

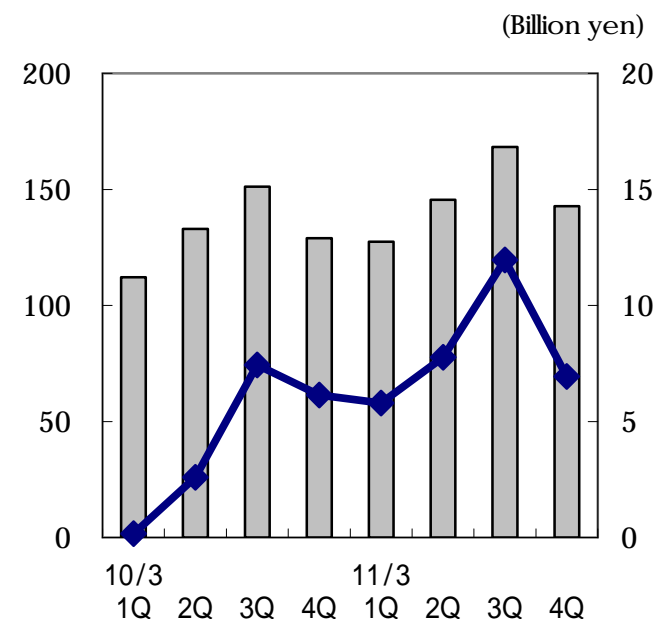
Business Results by Segment (Fibers & Textiles)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	89.5	101.6	+12.1	(+13.5%)
	Japanese Subsidiaries	271.8	300.5	+28.7	(+10.6%)
	Overseas Subsidiaries	164.0	182.0	+18.1	(+11.0%)
	Total	525.2	584.1	+58.9	(+11.2%)
Operating Income	Toray	1.0	8.9	+7.9	(+815.4%)
	Japanese Subsidiaries	6.0	7.3	+1.3	(+21.0%)
	Overseas Subsidiaries	8.6	16.5	+7.9	(+91.9%)
	Adjustment	0.8	▲ 0.2	-1.0	
	Total	16.3	32.4	+16.1	(+98.8%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



Toray: Sales / Income Increased

Industrial-use materials led by airbags and other automotive applications as well as general applications grew steadily while sales volume expanded in apparel applications.

Japanese Subsidiaries: Sales / Income Increased

Garment business to major SPA at trading subsidiaries and manufacturing subsidiaries performed steadily.

Overseas Subsidiaries: Sales / Income Increased

The garment business in China as well as the polypropylene spunbond business for diapers in Republic of Korea and China expanded, and businesses including yarn and textile operations for air bag applications in Thailand and Czech Republic, the textile business in China and the polyester fiber business in China, Republic of Korea and ASEAN countries also performed steadily.

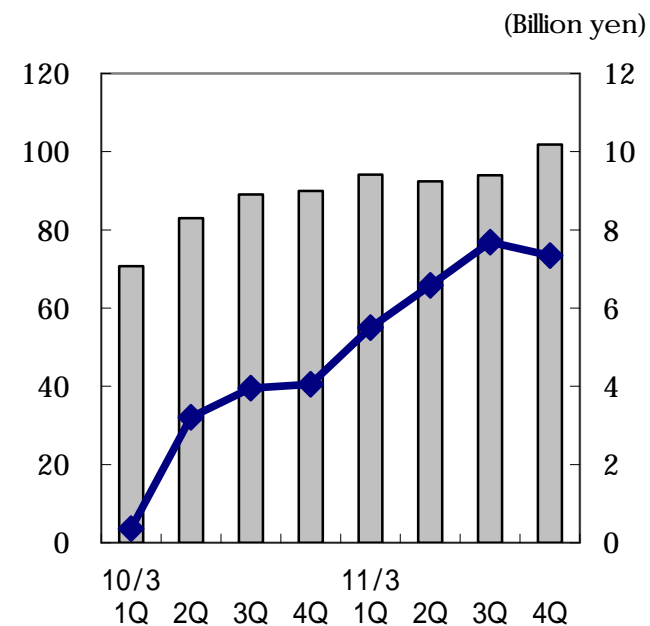
Business Results by Segment (Plastics & Chemicals)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	65.9	76.0	+10.1	(+15.3%)
	Japanese Subsidiaries	130.8	137.6	+6.9	(+5.2%)
	Overseas Subsidiaries	136.1	168.6	+32.6	(+24.0%)
	Total	332.7	382.3	+49.6	(+14.9%)
Operating Income	Toray	0.4	5.1	+4.7	(-)
	Japanese Subsidiaries	5.4	7.7	+2.3	(+41.9%)
	Overseas Subsidiaries	5.5	14.6	+9.1	(+165.2%)
	Adjustment	0.3	▲ 0.3	-0.5	
	Total	11.6	27.1	+15.5	(+134.2%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



Toray: Sales / Income Increased

In plastic resins business, expanded sales of automotive applications in the emerging countries and electrical and electronics applications. In films business, sales grew steadily in the industrial materials field in general led by solar cell applications.

Japanese Subsidiaries: Sales / Income Increased

Overall business performed steadily at manufacturing subsidiaries including film processing subsidiary as well as trading subsidiaries.

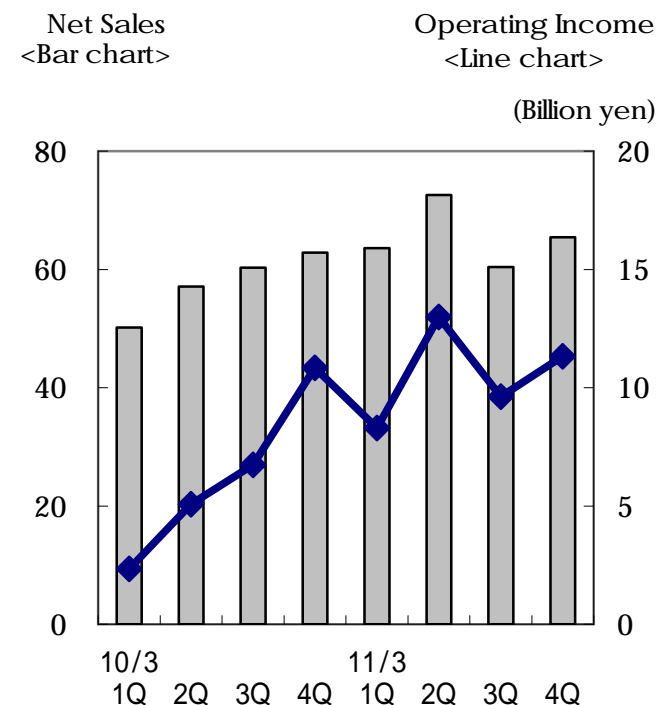
Overseas Subsidiaries: Sales / Income Increased

Every films subsidiary performed strongly on the back of healthy demand. Regarding a plastic resins subsidiary in Malaysia, sales expanded in Asia and emerging countries in other regions centering on home electric appliances.

Business Results by Segment (IT-related Products)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	99.7	109.8	+10.1	(+10.2%)
	Japanese Subsidiaries	70.0	77.9	+8.0	(+11.4%)
	Overseas Subsidiaries	60.8	74.3	+13.5	(+22.2%)
	Total	230.4	262.0	+31.6	(+13.7%)
Operating Income	Toray	15.7	25.8	+10.1	(+64.1%)
	Japanese Subsidiaries	3.5	5.7	+2.2	(+64.5%)
	Overseas Subsidiaries	5.7	10.5	+4.8	(+83.8%)
	Adjustment	0.1	0.2	+0.1	
	Total	25.0	42.2	+17.2	(+68.9%)



Toray: Sales / Income Increased

Sales of films and processed film products used in flat panel displays (FPD) and electronic parts expanded. Sales volume of color filters for liquid crystal displays (LCD), semiconductor-related materials and plasma display-related materials also increased.

Japanese Subsidiaries: Sales / Income Increased

A film processing subsidiary expanded sales of FPD-related processed films. Fine chemicals subsidiary also performed steadily.

Overseas Subsidiaries: Sales / Income Increased

In Republic of Korea, films and processed films related subsidiary reported healthy results. Electric circuit materials subsidiary had negative impact of the production adjustment at panel manufacturers for FPDs.

Details of the Sales of IT-related Products Segment

[Sales ratio by sub-segment]

Billion yen

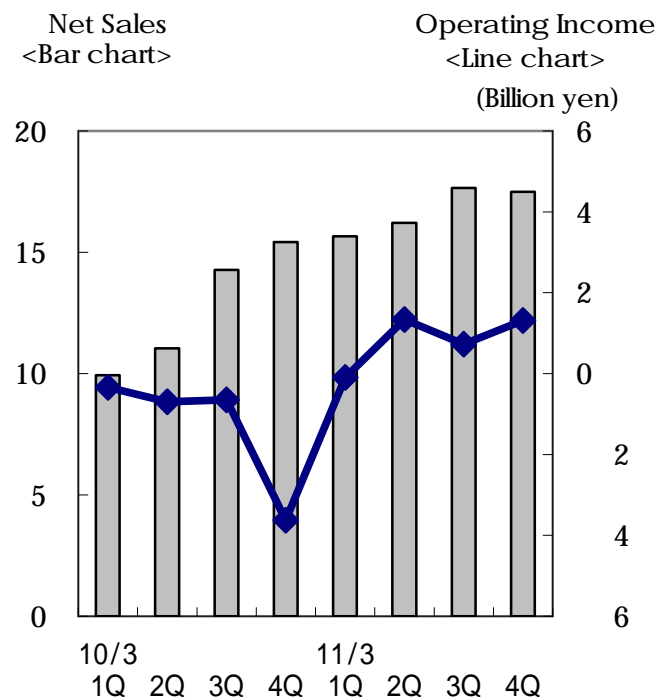
	FY Mar/10		FY Mar/11		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	85.4	37%	105.6	40%	+24%
Electronic Components, Semiconductor, Electric Circuit Materials	81.0	35%	92.7	35%	+15%
Data Storage Materials	31.3	14%	32.8	13%	+5%
Equipment, others	32.7	14%	30.9	12%	-6%
Total of IT-related Products Segment	230.4		262.0		+14%

Display materials: Sales volume expanded mainly in films and processed films for FPDs and LCD color filters.
 Electronic components, semiconductor, electric circuit materials: Sales volume expanded centering on films for electronic components and circuit materials.
 Data storage materials: Expanded sales of films for thermal transfer ribbons and graphic materials.
 Equipment, others: Reflecting the decrease of orders received in fiscal 2009, shipment of LCD color filters production equipment was on a low tone.

Business Results by Segment (Carbon Fiber Composite Materials)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	37.7	52.0	+14.3	(+37.9%)
	Japanese Subsidiaries	25.2	38.7	+13.5	(+53.6%)
	Overseas Subsidiaries	36.4	50.9	+14.6	(+40.0%)
	Adjustment	▲ 48.6	▲ 74.6	-26.0	
	Total	50.7	67.0	+16.3	(+32.2%)
Operating Income	Toray	▲ 4.7	2.2	+6.8	(-)
	Japanese Subsidiaries	0.2	0.4	+0.3	(+144.8%)
	Overseas Subsidiaries	▲ 2.7	1.6	+4.3	(-)
	Adjustment	1.8	▲ 0.9	-2.7	
	Total	▲ 5.3	3.3	+8.6	(-)



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

Toray: Sales / Income Increased

Japanese Subsidiaries: Sales / Income Increased

Overseas Subsidiaries: Sales / Income Increased

Toray Group expanded its market share by active sales on the back of sustained recovery in demand in aircraft, sports, and industrial applications, and sales and production volumes of *Torayca** and *Torayca** prepreg (carbon fiber sheets impregnated with epoxy resin) increased. Sales of carbon fiber composite materials also expanded primarily for PC chassis. At the same time, the Group improved the selling price amid steep rises in raw materials and fuel prices.

Details of the Sales of Carbon Fiber Composite Materials Segment

[Sales ratio by sub-segment]

Billion yen

	FY Mar/10		FY Mar/11		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aircraft	22.4	44%	27.7	41%	+24%
Sports	9.7	19%	13.8	21%	+43%
Industrial	18.6	37%	25.5	38%	+37%
Total of Carbon Fiber Composite Materials	50.7		67.0		+32%

Aircraft: Business was steady throughout the fiscal year due to the recovery of demand for existing model of Boeing Co. and the Airbus.

Sports: All applications performed strongly with the recovery from the excessive inventory adjustment phase in the previous fiscal year.

Industrial: Applications for automotives including CNG tanks expanded and demand for natural gas transport tanks increased.

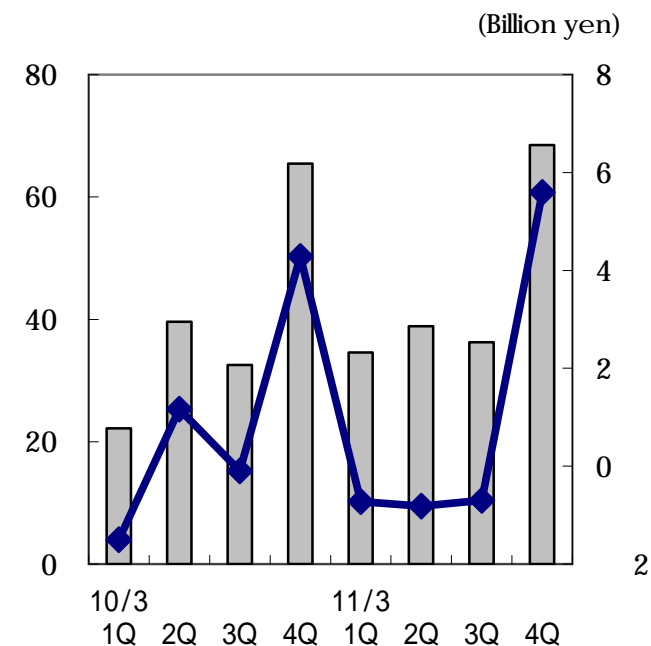
Business Results by Segment (Environment & Engineering)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	6.5	10.0	+3.5	(+54.2%)
	Japanese Subsidiaries	149.7	164.1	+14.5	(+9.7%)
	Overseas Subsidiaries	3.6	4.1	+0.4	(+11.3%)
	Total	159.8	178.2	+18.4	(+11.5%)
Operating Income	Toray	▲ 3.1	▲ 2.9	+0.2	(-)
	Japanese Subsidiaries	5.2	5.1	-0.1	(-1.6%)
	Overseas Subsidiaries	▲ 0.8	▲ 0.2	+0.6	(-)
	Adjustment	2.6	1.4	-1.2	
	Total	3.9	3.3	-0.5	(-13.0%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



Toray: Sales Increased / Income Improved

Sales of reverse osmosis membranes expanded for large-scale overseas projects.

Japanese Subsidiaries: Sales Increased / Income Flat Growth

While a trading company expanded sales for machinery exports, performance of an engineering subsidiary remained sluggish.

Overseas Subsidiaries: Sales Increased / Income Improved

Sales expanded steadily at water-treatment related subsidiaries in the US and China.

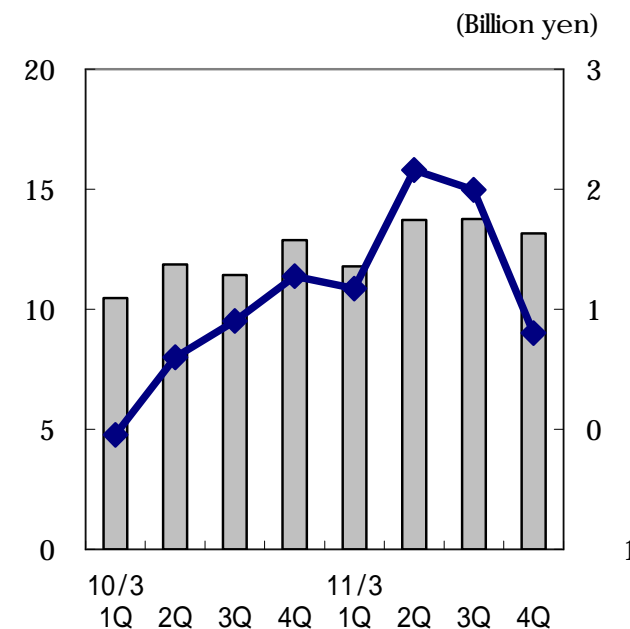
Business Results by Segment (Life Science)

Unit : Billion yen

		FY Mar/10	FY Mar/11	Changes	
Net Sales	Toray	9.8	14.0	+4.2	(+42.7%)
	Japanese Subsidiaries	35.3	37.0	+1.7	(+4.7%)
	Overseas Subsidiaries	1.5	1.4	-0.1	(-6.8%)
	Total	46.7	52.4	+5.8	(+12.4%)
Operating Income	Toray	1.7	4.6	+2.9	(+168.2%)
	Japanese Subsidiaries	0.7	1.3	+0.6	(+75.7%)
	Overseas Subsidiaries	0.1	0.1	-0.0	(-24.5%)
	Adjustment	0.2	0.2	+0.0	
	Total	2.7	6.1	+3.4	(+124.3%)

Net Sales
<Bar chart>

Operating Income
<Line chart>

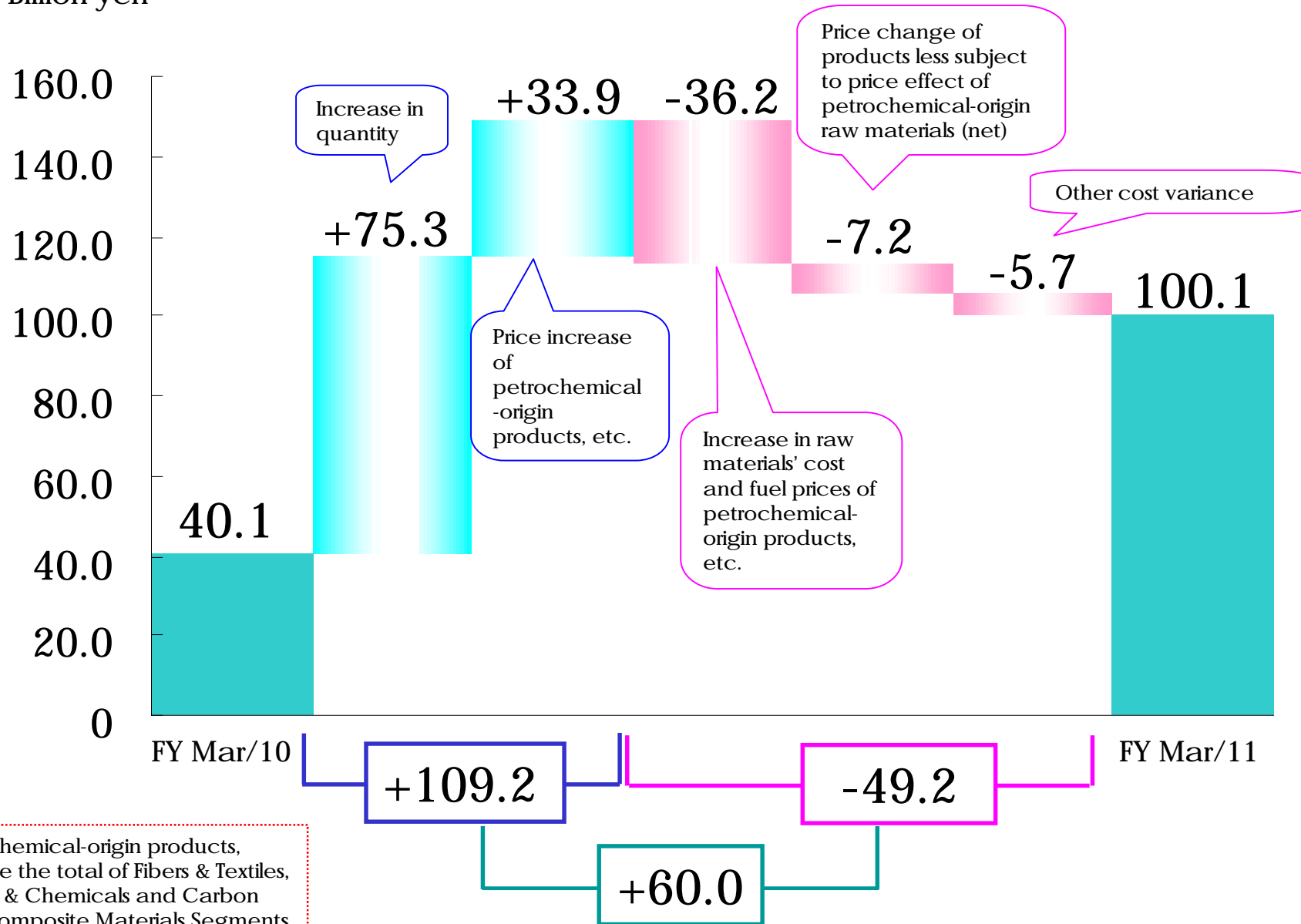


Sales / Income Increased

Sales volume of *Feron*, a natural interferon beta preparation, increased following approval in Japan of its use in combination with Ribavirin for treating chronic hepatitis type C in October, 2009. REMITCH®, an oral anti-pruritus drug, also expanded its sales. Among medical devices, shipment of *Toraymyxin*, a hemoperfusion absorption column for removing endotoxin, and dialysis equipments were strong.

Income Variance Factor Analysis

Billion yen



"Petrochemical-origin products, etc." are the total of Fibers & Textiles, Plastics & Chemicals and Carbon Fiber Composite Materials Segments

Results of Major Projects Under “IT-II”

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

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

	Target	Mar/09	Mar/10	Mar/11	Total
Reduction of fixed costs	60.0	20.0	40.0	-8.5	51.5
Reduction of variable costs	40.0		22.0	28.5	50.5
Total	100.0	20.0	62.0	20.0	102.0

* The minus describes increase of costs

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

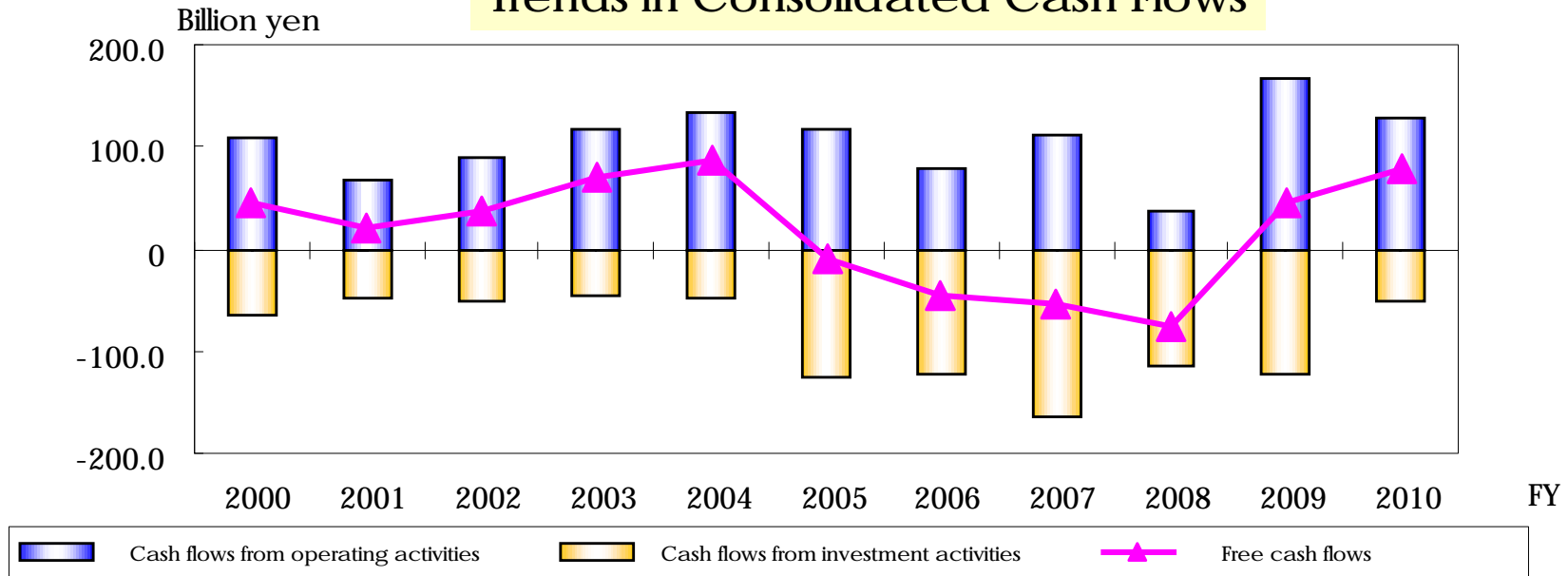
Improvement of Cash Flows

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

Laid the base to return to the growth track

Improvement of Cash Flows and Reduction of Inventories

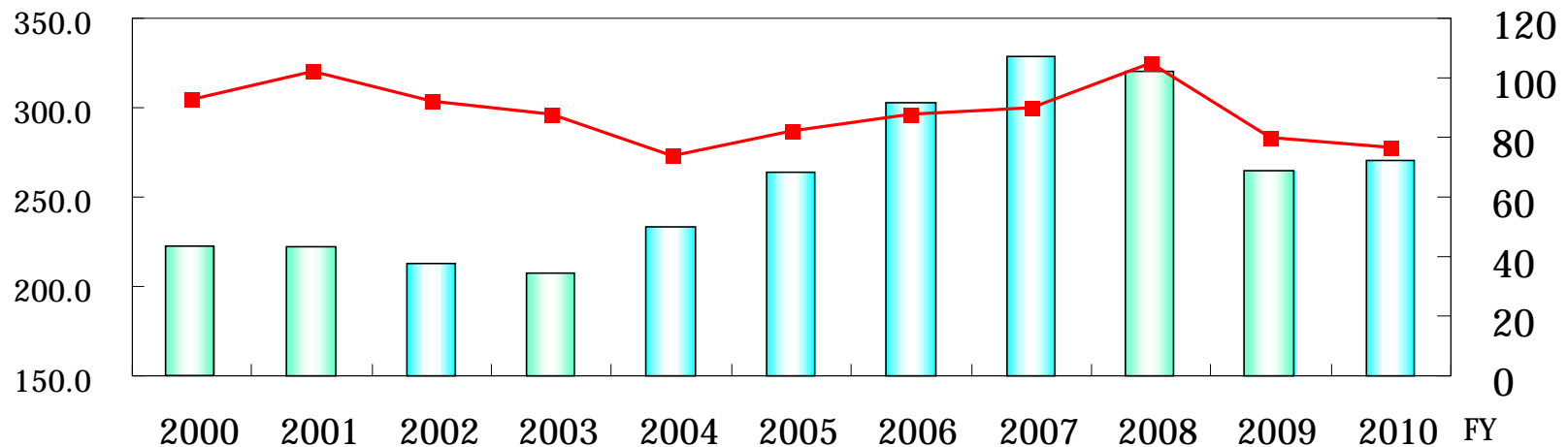
Trends in Consolidated Cash Flows



Inventory Amount
<Bar chart, Billion yen>

Trends in Consolidated Inventories

Inventory Days
<Line chart, days>



Results of Major Subsidiaries

Billion yen

	Net Sales			Operating Income			
	FY Mar/10	FY Mar/11	Changes	FY Mar/10	FY Mar/11	Changes	
Toray International Inc.	341.9	429.9	+88.0	5.2	6.3	+1.0	
Toray Engineering Co., Ltd.	80.2	75.5	-4.7	3.6	3.3	-0.2	
Toray Construction Co., Ltd.	59.7	50.1	-9.6	1.1	1.3	+0.2	
Toray Advanced Film Co., Ltd.	43.0	51.9	+8.9	2.2	3.6	+1.3	
Toray Medical Co., Ltd.	35.7	37.3	+1.6	0.7	1.3	+0.6	
TAK (Korea)	70.2	86.5	+16.2	7.0	14.5	+7.5	
TPM (Malaysia)	52.0	64.0	+12.0	1.8	3.1	+1.4	
Subsidiaries in Southeast Asia *1	Fibers & Textiles	76.9	88.2	+11.3	1.7	3.8	+2.1
	Plastics & Chemicals	59.0	74.9	+15.9	2.5	6.3	+3.8
	Others	6.6	7.0	+0.4	0.2	0.4	+0.3
	Total	142.5	170.2	+27.6	4.4	10.6	+6.1
Subsidiaries in China *2	Fibers & Textiles	102.3	114.6	+12.2	3.7	7.8	+4.0
	Plastics & Chemicals	36.6	48.0	+11.4	0.5	1.2	+0.7
	Others	9.5	11.3	+1.8	0.2	0.2	+0.0
	Total	148.4	173.8	+25.4	4.4	9.1	+4.8
Films Subsidiaries (Overseas) *3	Plastics & Chemicals	64.2	77.2	+13.1	2.6	9.0	+6.3
	IT-related Products	35.8	46.6	+10.8	4.2	9.2	+5.1
	Total	99.9	123.8	+23.9	6.8	18.2	+11.4

*1 : IIS, ETX, ISTEM, ACTEM, CENTEX, PFR, PAB-G, TIS, LTX, TITM, TPM sum total

*2 : TFNL, TSD, TJQ, TPN, TCH, TSL, THK-G, TPCH-G, RKH/RKZ, TFH/TFZ, TBMC sum total

*3: TAK, PFR, TPA, TPEu, TFE, TFH/TFZ sum total

Number of Employees, Changes in Subsidiaries and Affiliates

Number of Employees

Number of people

	End of Mar/10	End of Mar/11	Changes
Toray	6,915	6,797	-118
Japanese Consolidated Subsidiaries	10,339	10,261	- 78
Overseas Consolidated Subsidiaries	20,682	21,682	+1,000
Total	37,936	38,740	+804

Changes in Subsidiaries and Affiliates

Number of companies

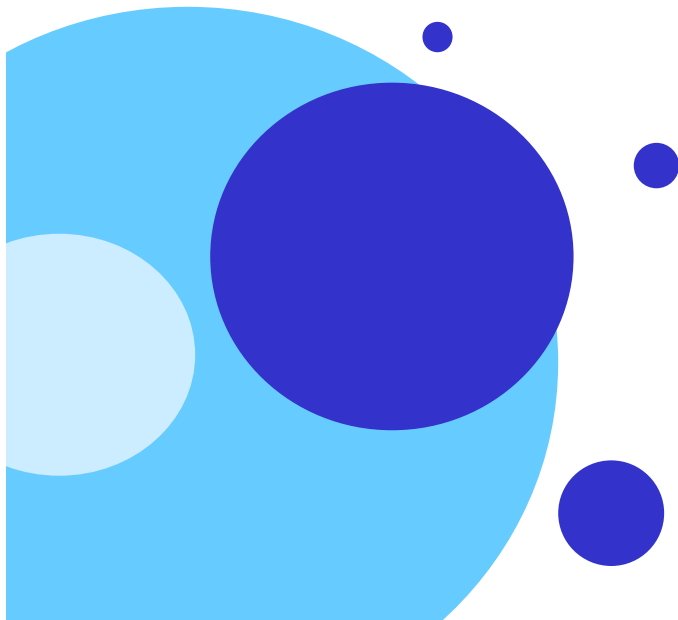
		End of Mar/10	End of Mar/11	Changes
Consolidated Subsidiaries (a)	Japan	61	59	-2
	Overseas	78	79	+1
	Total	139	138	-1
Subsidiaries accounted for by Equity Method (b)	Japan	27	27	±0
	Overseas	25	24	-1
	Total	52	51	-1
Total Subsidiaries (a) + (b)	Japan	88	86	-2
	Overseas	103	103	±0
	Total	191	189	-2
Affiliates accounted for by Equity Method (c)	Japan	14	14	±0
	Overseas	24	23	-1
	Total	38	37	-1
Companies subject to Consolidation (a)+(b)+(c)	Japan	102	100	-2
	Overseas	127	126	-1
	Total	229	226	-3

3Q vs. 4Q Comparison of Operating Income by Segment

Billion yen

Segment	Operating Income FY Mar/11 3Q → FY Mar/11 4Q () difference	Variance Factors
Fibers & Textiles	12.0 → 6.9 (- 5.0)	<ul style="list-style-type: none"> • Sales increased steadily at Toray parent company but was impacted by the rise in raw materials and fuel prices. • Sales decreased at Japanese trading subsidiary due to garment business to major SPA passed a peak.
Plastics & Chemicals	7.7 → 7.3 (- 0.3)	<ul style="list-style-type: none"> • Overall business was impacted by the rise in raw materials and fuel prices.
IT-related Products	9.6 → 11.3 (+ 1.7)	<ul style="list-style-type: none"> • Shipment of optical films performed steadily at Toray parent company and technical fee was recorded in the 4Q. • Sales of machinery concentrated in the 4Q at a Japanese engineering subsidiary.
Carbon Fiber Composite Materials	0.7 → 1.3 (+ 0.6)	<ul style="list-style-type: none"> • Cost increased in the 3Q due to inspections of Toray Ehime Plant.
Environment & Engineering	0.7 → 5.6 (+ 6.3)	<ul style="list-style-type: none"> • Sales of Japanese subsidiaries concentrated in the 4Q.
Life Science	2.0 → 0.8 (- 1.2)	<ul style="list-style-type: none"> • Shipment of pharmaceuticals decreased while clinical development costs increased associated with drug development progress.
Others	0.3 → 0.3 (+ 0.1)	
Adjustment	4.1 → 3.5 (+ 0.6)	
Consolidated	27.4 → 30.1 (+ 2.7)	

II. Business Forecast for the Fiscal Year Ending March 2012 (Consolidated Basis)



Forecast Summary

Billion yen

		FY Mar/11 Actual	FY Mar/12 Forecast	Changes	
Net Sales	1st Half	733.4	780.0	+46.6	(+6.4%)
	2nd Half	806.3	870.0	+63.7	(+7.9%)
	Total	1,539.7	1,650.0	+110.3	(+7.2%)
Operating Income	1st Half	42.5	47.0	+4.5	(+10.5%)
	2nd Half	57.6	63.0	+5.4	(+9.4%)
	Total	100.1	110.0	+9.9	(+9.9%)
Ordinary Income	1st Half	40.5	46.0	+5.5	(+13.7%)
	2nd Half	58.4	63.0	+4.6	(+7.8%)
	Total	98.9	109.0	+10.1	(+10.2%)
Net Income	1st Half	24.9	29.0	+4.1	(+16.4%)
	2nd Half	33.0	38.0	+5.0	(+15.1%)
	Total	57.9	67.0	+9.1	(+15.7%)

Net Income per Share	1st Half	16.0 yen	17.8 yen
	2nd Half	20.3 yen	23.3 yen
	Total	36.4 yen	41.1 yen
Dividend per Share	1st Half	2.5 yen	5.0 yen
	2nd Half	5.0 yen	5.0 yen
	Total	7.5 yen	10.0 yen

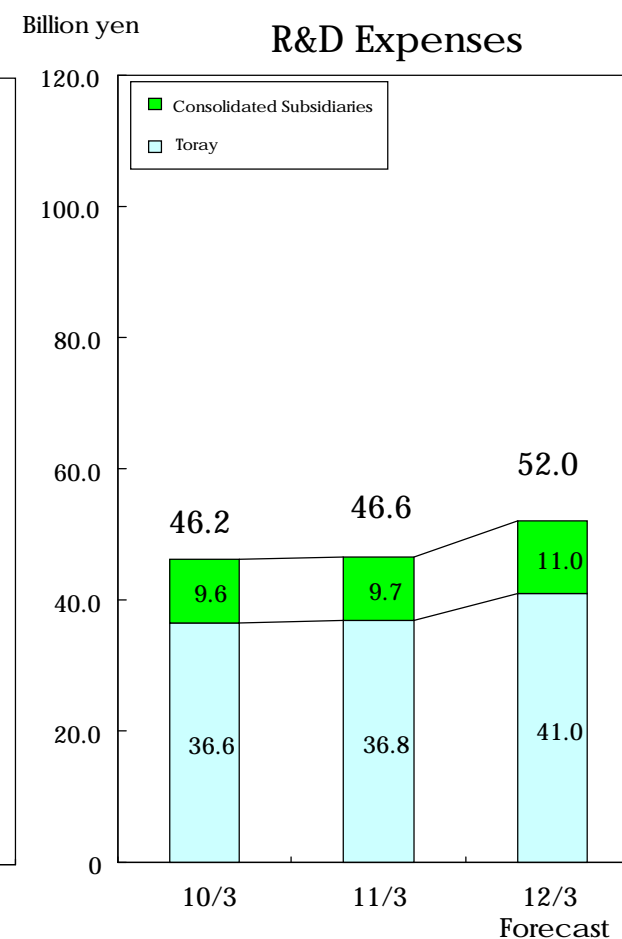
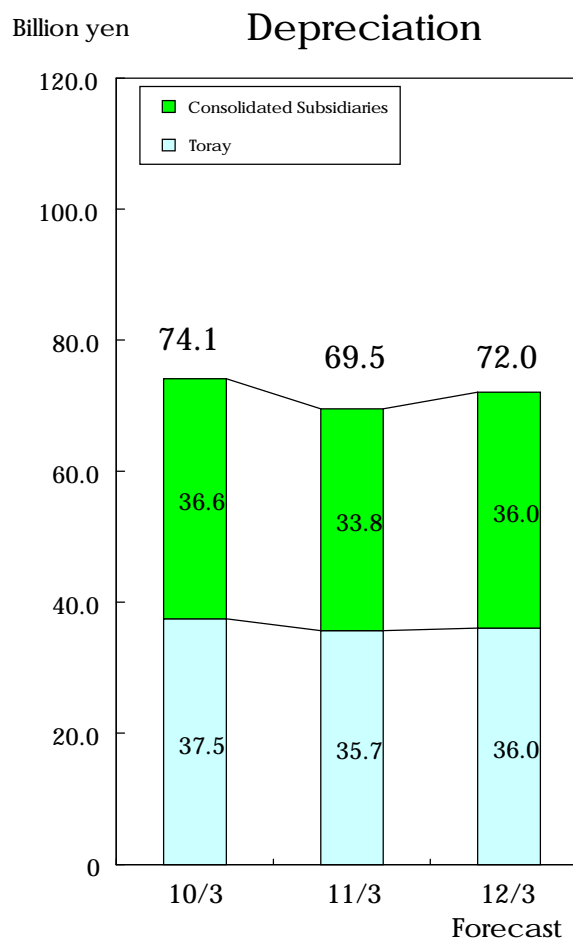
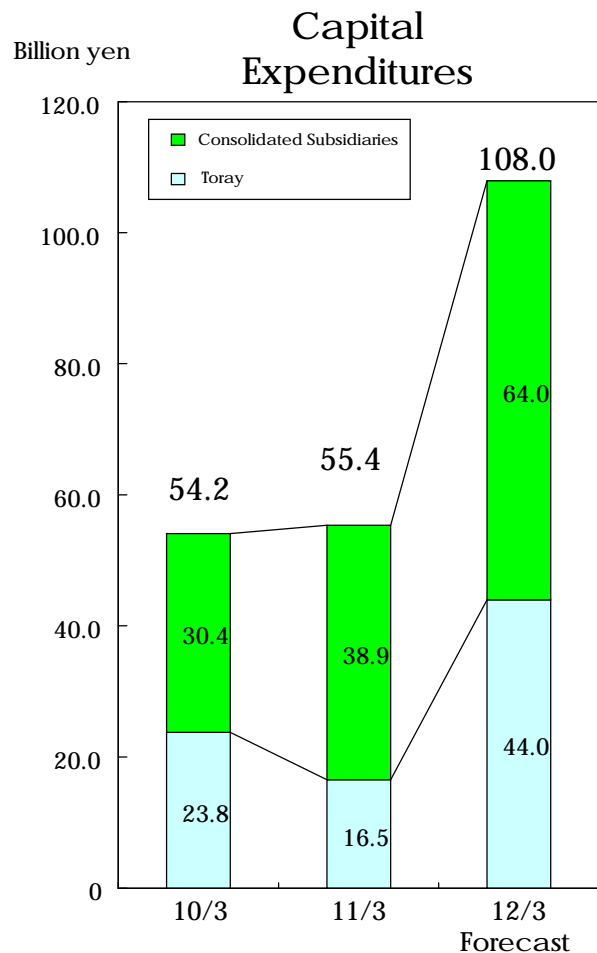
Remarks : Estimated exchange rate : 82 yen / US\$
Estimated oil price : 110 US\$/ B (DU B AI FOB)

Business Forecast by Segment

Billion yen

		FY Mar/11 Actual			FY Mar/12 Forecast			Changes		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Net Sales	Fibers & Textiles	273.1	311.1	584.1	280.0	320.0	600.0	+6.9	+9.0	+15.9
	Plastics & Chemicals	186.5	195.8	382.3	205.0	215.0	420.0	+18.5	+19.2	+37.7
	IT-related Products	136.2	125.9	262.0	140.0	155.0	295.0	+3.8	+29.1	+33.0
	Carbon Fiber Composite Materials	31.9	35.1	67.0	40.0	40.0	80.0	+8.1	+4.9	+13.0
	Environment & Engineering	73.5	104.7	178.2	80.0	105.0	185.0	+6.5	+0.3	+6.8
	Life Science	25.5	26.9	52.4	27.0	28.0	55.0	+1.5	+1.1	+2.6
	Others	6.8	6.9	13.6	8.0	7.0	15.0	+1.2	+0.1	+1.4
	Consolidated	733.4	806.3	1,539.7	780.0	870.0	1,650.0	+46.6	+63.7	+110.3
Operating Income	Fibers & Textiles	13.6	18.9	32.4	16.0	21.0	37.0	+2.5	+2.1	+4.6
	Plastics & Chemicals	12.1	15.0	27.1	13.0	14.0	27.0	+0.9	-1.0	-0.1
	IT-related Products	21.3	20.9	42.2	20.0	24.0	44.0	-1.3	+3.1	+1.8
	Carbon Fiber Composite Materials	1.2	2.0	3.3	4.0	4.0	8.0	+2.8	+2.0	+4.7
	Environment & Engineering	▲ 1.5	4.9	3.3	1.0	7.0	8.0	+2.5	+2.1	+4.7
	Life Science	3.3	2.8	6.1	3.0	3.0	6.0	-0.3	+0.2	-0.1
	Others	0.4	0.6	1.0	0.5	0.5	1.0	+0.1	-0.1	-0.0
	Adjustment	▲ 7.8	▲ 7.7	▲ 15.5	▲ 10.5	▲ 10.5	▲ 21.0	-2.7	-2.8	-5.5
Consolidated	42.5	57.6	100.1	47.0	63.0	110.0	+4.5	+5.4	+9.9	

Forecast of Capital Expenditures, Depreciation and R&D Expenses



Major Capital Expenditures in FY Mar/11:

<Overseas>

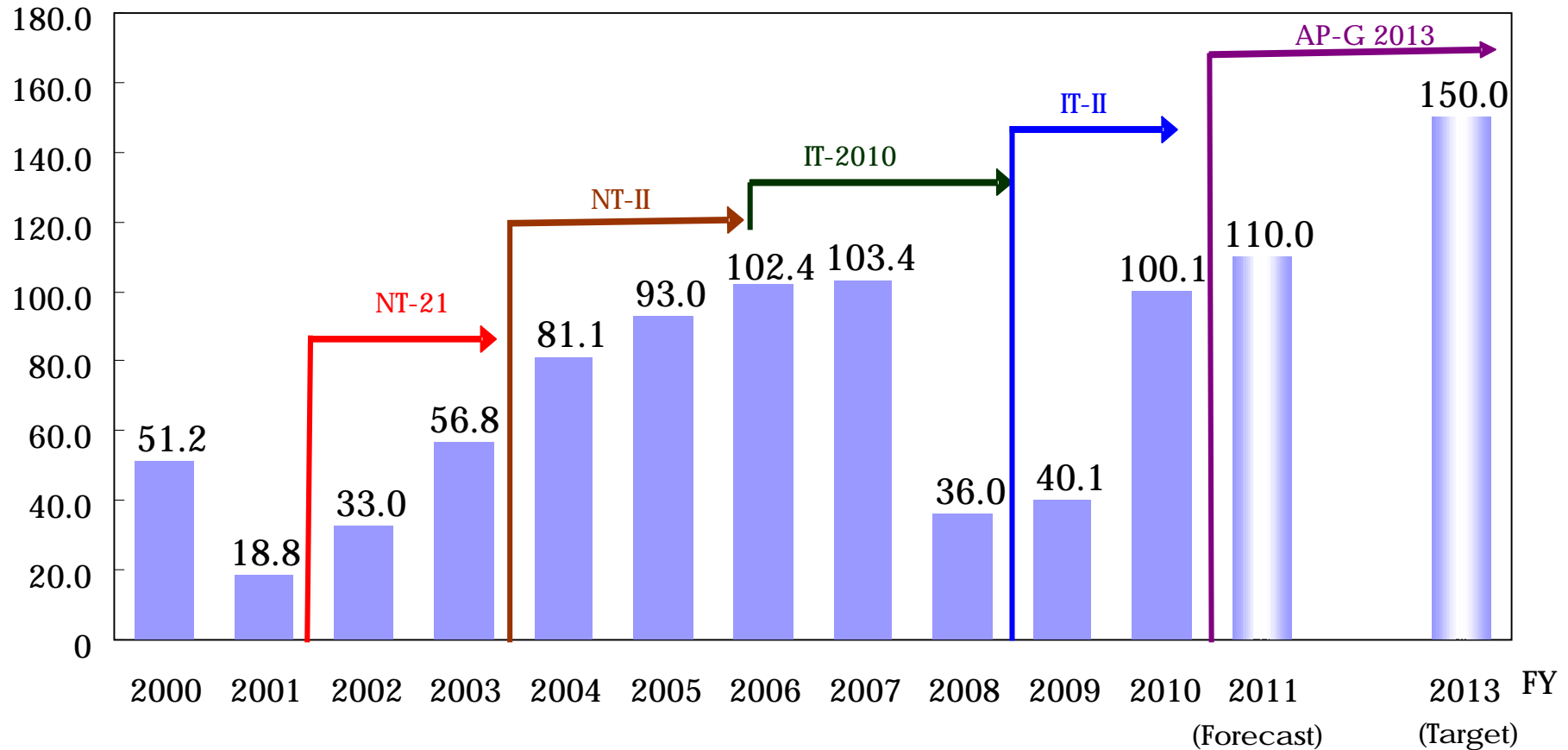
TAK (Toray Advanced Materials Korea Inc.): Optical polyester (PET) film production facilities (Republic of Korea)

TPN (Toray Polytech (Nantong) Co., Ltd.) : High-functional polypropylene spunbond production facilities (China)

TBMC (Toray BlueStar Membrane Co., Ltd.) : Water treatment membrane production facilities (China)

Trends in Consolidated Operating Income

Billion yen



Outline of “Project AP-G 2013”

Key Principle

Expand businesses in growth business fields and regions

Establish a robust business footing by cost reductions

Group-wide Projects

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.

Expand Green Innovation Businesses to 500 billion-yen in 2013

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.

Expand the net sales ratio of Asia and emerging countries to 40% in 2013

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.

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

Impact of the Great East Japan Earthquake

(As of May 10, 2011)

1. Status of damage

No harm to any of Toray Group employees nor their families.

Toray Chiba and Tsuchiura Plant and some 10 plants of eight Group companies temporarily halted its operations after the earthquake.

2. Implementation of production resumption and disaster relief assistance

Set up a company-wide task force under the direct control of the President.

Confirmed the status of the entire group, expedited the production resumption and offered assistance to affected areas immediately after the earthquake.

3. Recovery and resumption of production facilities

The effected facilities have returned to regular operations except for a part of Group companies.

4. Impact on raw material procurement

Toray Group has secured enough volume of main raw materials for the time being by switching to alternative materials and reviewed appropriate products in each production line at Japan and overseas.

5. Countermeasures to electricity shortage in the summer-time

Toray Group companies have already implemented measures to cover the production cutback in case of power limitation in the areas under the management of Tokyo Electric Power Co. and Tohoku Electric Power Co. Specific measures are; increase of inventories, revision of production plans, power saving of air-conditioning or lighting, urgent set-up of diesel power generation facilities, etc. With this, we believe that the Group can maintain the targets of production volume even under the power blackouts during the peak summer season.

6. Status of reconstruction assistance

Delivered relief supplies including insulated beddings and emergency small water purifiers to the affected area.

The entire Group has donated about 180 million yen to the Red Cross in each country or region, etc.

Descriptions of predicted business results, projections, and business plans for the Fiscal Year ending March 2012 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.