

November 7, 2012

Announcement of Business Results
For the 2Q and Six Months
Ended September 30, 2012

Toray Industries, Inc.



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I. Business Results for the 2Q and
Six Months Ended Sept. 30, 2012
(Consolidated Basis)

Summary of Consolidated Business Results for the 2Q and Six Months Ended Sept. 30, 2012



Billion yen

	FY Mar/12 2Q (Jul.-Sept.)	FY Mar/13 2Q (Jul.-Sept.)	Changes	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes
Net Sales	425.0	389.6	- 35.3 (-8.3%)	799.8	753.7	-46.1 (-5.8%)
Cost of Sales	333.2	313.5	- 19.7 (-5.9%)	628.0	604.8	-23.1 (-3.7%)
Gross Profit	91.8	76.1	- 15.6 (-17.0%)	171.8	148.9	-22.9 (-13.3%)
(Gross Profit to Net Sales)	21.6%	19.5%	- 2.1 point	21.5%	19.8%	-1.7 points
Operating Income	36.2	19.4	- 16.7 (-46.3%)	63.4	36.7	-26.7 (-42.1%)
(Operating Income to Net Sales)	8.5%	5.0%	- 3.5 points	7.9%	4.9%	-3.1 point
Non-operating Income and Expenses, net	0.3	▲ 0.5	- 0.8	2.1	1.3	-0.7
Ordinary Income	36.4	18.9	- 17.5 (-48.0%)	65.5	38.0	-27.5 (-41.9%)
Special Credits and Charges, net	▲ 2.4	▲ 4.2	- 1.8	▲ 3.1	▲ 6.7	-3.7
Income before Income Taxes	34.1	14.8	- 19.3 (-56.7%)	62.4	31.3	-31.1 (-49.9%)
Net Income	22.3	9.9	- 12.4 (-55.5%)	40.1	20.0	-20.1 (-50.1%)

	(FY Mar/12 2Q)	(FY Mar/13 2Q)	(FY Mar/12 1H)	(FY Mar/13 1H)
Exchange Rate <Yen/US\$> Average	: 77.9	78.6	79.8	79.4
	End of the term : 76.7	77.6		
<Yen/Euro> Average	: 110.2	98.4	113.8	100.6
	End of the term : 104.1	100.2		
Oil Price <US\$/B> (DUBAI FOB) Average	: 107.1	106.3	108.9	106.3

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

Non-operating Income and Expenses

Billion yen

	FY Mar/12 2Q (Jul.-Sept.)	FY Mar/13 2Q (Jul.-Sept.)	Changes	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes
Non-operating Income	3.2	3.3	+0.1	7.7	7.5	-0.2
Interest and Dividend Income	0.3	0.5	+0.2	1.7	1.9	+0.2
Equity in Earnings of Affiliates	1.8	1.6	-0.2	3.6	3.3	-0.3
Others	1.1	1.2	+0.2	2.4	2.2	-0.1
Non-operating Expenses	▲ 2.9	▲ 3.8	-0.9	▲ 5.6	▲ 6.1	-0.6
Interest Expenses	▲ 1.4	▲ 1.4	+0.0	▲ 2.8	▲ 2.8	+0.0
Others	▲ 1.5	▲ 2.4	-0.9	▲ 2.7	▲ 3.3	-0.6
Non-operating Income and Expenses, net	0.3	▲ 0.5	-0.8	2.1	1.3	-0.7
Interest and Dividend Income, Interest Expenses, net	▲ 1.1	▲ 0.9	+0.2	▲ 1.2	▲ 0.9	+0.3

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

Special Credits and Charges

Billion yen

	FY Mar/12 2Q (Jul.-Sept.)	FY Mar/13 2Q (Jul.-Sept.)	Changes	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes
Special Credits	0.1	0.0	-0.0	0.1	0.1	+0.0
Gain on Sales of Property, Plant and Equipment	0.0	0.0	-0.0	0.1	0.1	+0.1
Gain on Sales of Investment Securities	0.0	0.0	-0.0	0.0	0.0	-0.0
Special Charges	▲ 2.4	▲ 4.2	-1.8	▲ 3.2	▲ 6.9	-3.7
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 1.1	▲ 1.0	+0.2	▲ 1.4	▲ 1.4	+0.0
Loss on Disaster	▲ 0.1	▲ 0.9	-0.8	▲ 0.4	▲ 1.8	-1.4
Loss on Write-down of Investment Securities	▲ 1.2	▲ 2.1	-0.9	▲ 1.3	▲ 3.5	-2.2
Others	▲ 0.0	▲ 0.2	-0.2	▲ 0.1	▲ 0.2	-0.1
Special Credits and Charges, net	▲ 2.4	▲ 4.2	-1.8	▲ 3.1	▲ 6.7	-3.7

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

Assets, Liabilities, Net Assets and Free Cash Flows

Billion yen

	End of Mar/12	End of Sept/12	Changes
Total Assets	1,581.5	1,602.8	+21.3
Current Assets	726.2	747.5	+21.3
Tangible Assets	561.9	574.7	+12.8
Intangible Assets	42.6	41.7	-0.9
Investment and Other Assets	250.7	238.9	-11.8

	End of Mar/12	End of Sept/12	Changes
Total Liabilities	907.4	920.4	+13.1
Current Liabilities	515.8	493.9	-22.0
Other Liabilities	391.5	426.6	+35.0
Total Net Assets	674.1	682.4	+8.2
Interest-bearing Debts	481.9	524.1	+42.2
D/E Ratio	0.77	0.83	+0.06

<Free Cash Flows>

	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes
Cash Flows from Operating Activities	25.5	13.3	-12.2
Cash Flows from Investment Activities	▲ 34.7	▲ 48.1	-13.4
Free Cash Flows	▲ 9.2	▲ 34.8	-25.6

Capital Expenditures, Depreciation, R&D Expenses

Billion yen

	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes	Comments
Capital Expenditures	28.2	43.7	+15.5	Toray : 12.7, Consolidated subsidiaries : 31.1
Depreciation -)	32.7	31.1	-1.6	Toray : 13.9, Consolidated subsidiaries : 17.3
Transfer, Disposal, etc.	4.4	0.2	-4.2	
Changes in Tangible Assets	▲ 0.1	12.8	+12.9	
R&D Expenses	24.6	26.2	+1.6	

Major Capital Expenditures:

Toray : PPS (polyphenylene sulfide) resin production facilities

TAK (Toray Advanced Materials Korea Inc.) : Carbon fiber production facilities

TAFK (Toray Advanced Film Kaohsiung Co., Ltd.) : Self-adhesive protection film production facilities

Net Sales and Operating Income by Segment

Innovation by Chemistry

Billion yen

	Net Sales			Operating Income		
	FY Mar/12 2Q (Jul.-Sept.)	FY Mar/13 2Q (Jul.-Sept.)	Changes	FY Mar/12 2Q (Jul.-Sept.)	FY Mar/13 2Q (Jul.-Sept.)	Changes
Fibers & Textiles	165.2	153.1	-12.2 (-7.4%)	12.6	9.8	-2.8 (-22.2%)
Plastics & Chemicals	103.5	97.7	-5.7 (-5.6%)	7.8	5.0	-2.7 (-35.3%)
IT-related Products	65.8	63.1	-2.7 (-4.1%)	10.3	5.5	-4.8 (-46.6%)
Carbon Fiber Composite Materials	17.3	18.2	+0.8 (+4.8%)	2.3	2.0	-0.3 (-14.2%)
Environment & Engineering	55.1	39.7	-15.4 (-28.0%)	5.6	0.1	-5.5 (-98.7%)
Life Science	14.4	13.9	-0.5 (-3.6%)	2.3	1.4	-0.9 (-38.7%)
Others	3.6	4.0	+0.4 (+11.3%)	0.4	0.4	+0.1 (+19.2%)
Total	425.0	389.6	-35.3 (-8.3%)	41.2	24.2	-17.0 (-41.2%)
Adjustment				▲ 5.0	▲ 4.8	+0.2
Consolidated	425.0	389.6	-35.3 (-8.3%)	36.2	19.4	-16.7 (-46.3%)

	Net Sales			Operating Income		
	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes
Fibers & Textiles	307.5	288.9	-18.6 (-6.1%)	22.7	18.5	-4.2 (-18.5%)
Plastics & Chemicals	206.5	195.0	-11.5 (-5.6%)	16.4	10.5	-5.9 (-35.9%)
IT-related Products	130.0	121.1	-8.9 (-6.9%)	19.7	9.6	-10.1 (-51.1%)
Carbon Fiber Composite Materials	36.3	36.5	+0.2 (+0.6%)	5.0	4.2	-0.8 (-16.8%)
Environment & Engineering	85.3	78.1	-7.1 (-8.4%)	4.2	▲ 0.0	-4.2 (-)
Life Science	27.5	27.0	-0.5 (-1.8%)	4.2	3.0	-1.2 (-29.2%)
Others	6.7	7.1	+0.4 (+6.3%)	0.5	0.7	+0.2 (+38.0%)
Total	799.8	753.7	-46.1 (-5.8%)	72.8	46.5	-26.3 (-36.1%)
Adjustment				▲ 9.4	▲ 9.8	-0.4
Consolidated	799.8	753.7	-46.1 (-5.8%)	63.4	36.7	-26.7 (-42.1%)

Business Results by Segment (Fibers & Textiles)

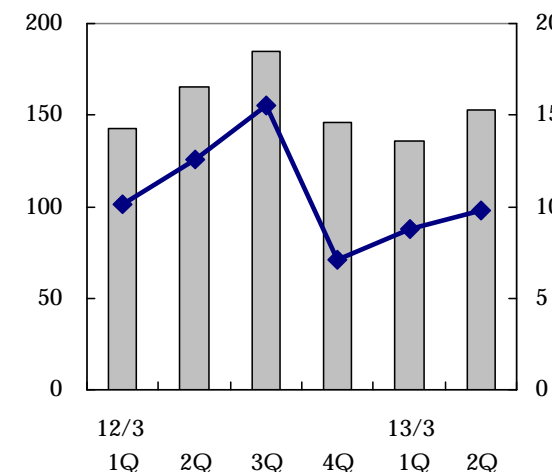
Unit: Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)

		2Q (Jul.-Sept.)				Six Months (Apr.-Sept.)			
		FY Mar/12	FY Mar/13	Changes		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	27.0	24.8	-2.2	(-8.2%)	53.2	50.6	-2.6	(-4.9%)
	Japanese Subsidiaries	83.6	77.2	-6.4	(-7.6%)	150.4	140.5	-9.9	(-6.6%)
	Overseas Subsidiaries	54.6	51.0	-3.6	(-6.5%)	103.9	97.7	-6.2	(-5.9%)
	Total	165.2	153.1	-12.2	(-7.4%)	307.5	288.9	-18.6	(-6.1%)
Operating Income	Toray	3.2	3.2	-0.0	(-0.8%)	6.6	7.2	+0.6	(+8.3%)
	Japanese Subsidiaries	3.1	2.7	-0.4	(-13.2%)	5.0	4.7	-0.2	(-4.7%)
	Overseas Subsidiaries	7.0	5.0	-2.0	(-28.3%)	13.1	8.0	-5.1	(-38.8%)
	Adjustment	▲ 0.8	▲ 1.1	-0.4		▲ 1.9	▲ 1.3	+0.6	
	Total	12.6	9.8	-2.8	(-22.2%)	22.7	18.5	-4.2	(-18.5%)



2Q (Jul.-Sept.)

Japan : In apparel applications, except for steady functional inner wear usage, demand in general remained weak due to the slowing economy. Sales of industrial-use materials grew steadily including those for airbag application reflecting production expansion by automobile manufacturers.

Overseas : Demand was sluggish given the impact of the slowdown in the U.S. and European economies and deceleration of China's domestic demand, however, effects of the floods in Thailand that occurred last fall was alleviated compared with the first quarter.

Six Months (Apr.-Sept.)

In Japan, sales of industrial-use materials grew strongly fueled by factors including rising sales for automotive applications reflecting production expansion by automobile manufacturers. Demand for apparel applications, however, remained weak due to the unseasonal weather in early spring as well as the slowing economy. Overseas, in addition to sluggish demand in Asia given the impact of the slowdown in the U.S. and European economies and deceleration of China's domestic demand, both production and sales were still affected by the floods in Thailand following the previous fiscal year.

Business Results by Segment (Plastics & Chemicals)

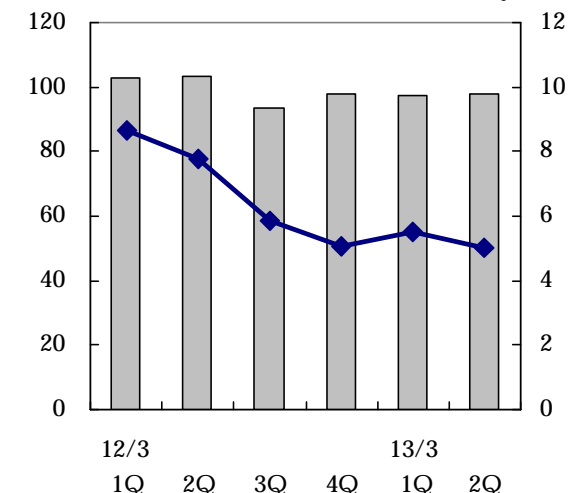
Unit: Billion yen

Net Sales
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Operating Income
<Line chart>

(Billion yen)

		2Q (Jul.-Sept.)				Six Months (Apr.-Sept.)			
		FY Mar/12	FY Mar/13	Changes		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	20.8	18.6	-2.1	(-10.2%)	39.1	37.2	-2.0	(-5.0%)
	Japanese Subsidiaries	36.9	32.9	-4.0	(-10.8%)	74.3	67.2	-7.1	(-9.6%)
	Overseas Subsidiaries	45.8	46.2	+0.4	(+0.8%)	93.0	90.6	-2.4	(-2.6%)
	Total	103.5	97.7	-5.7	(-5.6%)	206.5	195.0	-11.5	(-5.6%)
Operating Income	Toray	1.1	0.1	-1.0	(-87.6%)	2.2	1.0	-1.2	(-54.0%)
	Japanese Subsidiaries	2.4	1.6	-0.8	(-34.1%)	5.4	3.4	-2.0	(-36.3%)
	Overseas Subsidiaries	4.0	3.3	-0.7	(-18.3%)	8.7	5.8	-2.9	(-33.6%)
	Adjustment	0.2	0.0	-0.2		0.1	0.3	+0.2	
	Total	7.8	5.0	-2.7	(-35.3%)	16.4	10.5	-5.9	(-35.9%)



2Q (Jul.-Sept.)

Plastic Resins Business

Sales volume of engineering plastics for automotive applications in the resins business increased as production expanded primarily by automobile manufacturers in Japan. Overseas, while general purpose ABS resins remained sluggish reflecting the slumping U.S. and European economies and the stagnating Chinese market, the Company proceeded in sales expansion of highly value-added products.

Films Business

Demand remained sluggish in Japan and overseas due to the worldwide economic slowdown, while price competition continued to intensify.

Chemicals Business

: Overall business was impacted by price decline.

Six Months (Apr.-Sept.)

Sales volume of engineering plastics for automotive applications in the resins business increased as production expanded primarily by automobile manufacturers in Japan. Overseas, while general purpose ABS resins remained sluggish reflecting the stagnating Chinese market, sales of resin compounds, etc. for automobile application in the U.S. expanded. Demand for film products remained sluggish in Japan and overseas due to the worldwide economic slowdown, while price competition continued to intensify.

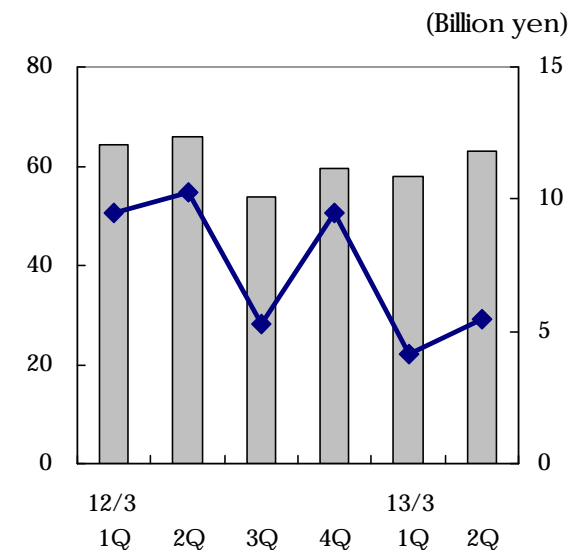
Business Results by Segment (IT-related Products)

Unit: Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>

		2Q (Jul.-Sept.)				Six Months (Apr.-Sept.)			
		FY Mar/12	FY Mar/13	Changes		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	27.6	25.7	-1.8	(-6.6%)	55.1	46.3	-8.8	(-15.9%)
	Japanese Subsidiaries	18.7	18.2	-0.5	(-2.6%)	37.5	38.8	+1.3	(+3.4%)
	Overseas Subsidiaries	19.5	19.2	-0.4	(-1.9%)	37.5	36.1	-1.4	(-3.8%)
	Total	65.8	63.1	-2.7	(-4.1%)	130.0	121.1	-8.9	(-6.9%)
Operating Income	Toray	7.0	3.3	-3.8	(-53.5%)	13.1	6.0	-7.0	(-53.8%)
	Japanese Subsidiaries	0.8	1.0	+0.2	(+26.4%)	2.0	2.4	+0.4	(+22.2%)
	Overseas Subsidiaries	2.5	2.1	-0.4	(-16.6%)	4.7	3.5	-1.3	(-27.1%)
	Adjustment	▲ 0.1	▲ 0.9	-0.8		▲ 0.1	▲ 2.2	-2.2	
	Total	10.3	5.5	-4.8	(-46.6%)	19.7	9.6	-10.1	(-51.1%)



2Q (Jul.-Sept.)

The large liquid crystal display (LCD) panel-related materials are back on a gradual recovery track, however, given the impact of the sluggish flat-screen TV market, those products did not reach the same levels marked in the 2Q of the previous year and price competition intensified. Sales of materials for small and mid-sized displays remained sluggish in general except for some products including those for smartphones, and were impacted by decline in selling prices caused by intensified competition.

Six Months (Apr.-Sept.)

Despite production adjustment for LCD panel caused by the slowdown in the flat-screen TV market being almost over and production showing signs of recovery, the flat-screen TV-related products including films and processed film products did not reach the levels marked in the same period a year earlier and price competition intensified. Sales of materials for small and mid-sized displays remained sluggish in general except for some products including those for smartphones.

Details of the Sales of IT-related Products Segment

[Sales ratio by sub-segment]

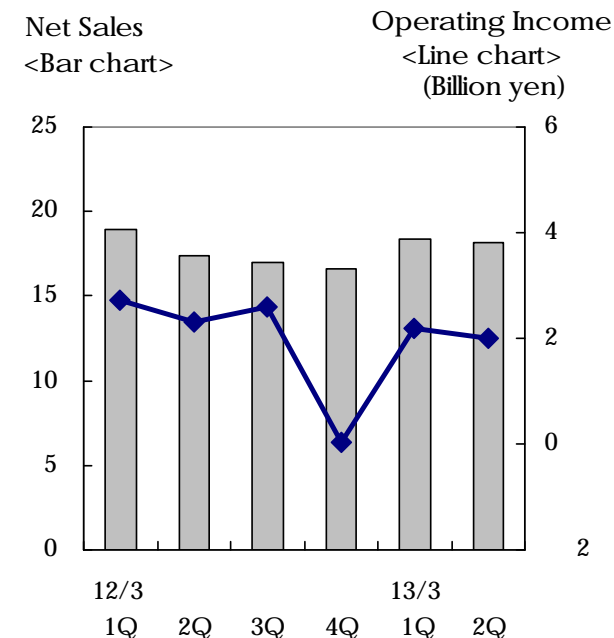
Unit: Billion yen

	FY Mar/12 2Q (Jul.-Sept.)		FY Mar/13 2Q (Jul.-Sept.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	24.8	38%	20.6	33%	-17%
Electronic Components, Semiconductor, Electric Circuit Materials	23.5	36%	25.1	40%	+7%
Data Storage Materials	8.4	13%	7.8	12%	-7%
Equipment, others	9.0	14%	9.6	15%	+6%
Total of IT-related Products Segment	65.8		63.1		-4%

	FY Mar/12 Six Months (Apr.-Sept.)		FY Mar/13 Six Months (Apr.-Sept.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	50.5	39%	40.4	33%	-20%
Electronic Components, Semiconductor, Electric Circuit Materials	45.9	35%	48.0	40%	+5%
Data Storage Materials	16.5	13%	16.0	13%	-3%
Equipment, others	17.2	13%	16.7	14%	-2%
Total of IT-related Products Segment	130.0		121.1		-7%

Business Results by Segment (Carbon Fiber Composite Materials)

Unit: Billion yen



		2Q (Jul.-Sept.)			Six Months (Apr.-Sept.)			
		FY Mar/12	FY Mar/13	Changes	FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	14.7	15.5	+0.8 (+5.6%)	28.7	30.5	+1.9 (+6.6%)	
	Japanese Subsidiaries	10.7	10.3	-0.4 (-3.3%)	21.6	21.0	-0.5 (-2.5%)	
	Overseas Subsidiaries	13.7	15.8	+2.1 (+15.3%)	28.0	29.5	+1.5 (+5.5%)	
	Adjustment	▲ 21.7	▲ 23.4	-1.7	▲ 41.9	▲ 44.5	-2.6	
	Total	17.3	18.2	+0.8 (+4.8%)	36.3	36.5	+0.2 (+0.6%)	
Operating Income	Toray	1.4	1.2	-0.2 (-17.1%)	2.8	2.6	-0.2 (-7.4%)	
	Japanese Subsidiaries	0.1	0.1	-0.0 (-7.6%)	0.2	0.2	+0.0 (+4.4%)	
	Overseas Subsidiaries	1.1	1.0	-0.1 (-10.2%)	2.2	2.3	+0.1 (+4.4%)	
	Adjustment	▲ 0.3	▲ 0.3	+0.0	▲ 0.2	▲ 0.9	-0.7	
	Total	2.3	2.0	-0.3 (-14.2%)	5.0	4.2	-0.8 (-16.8%)	

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.

2Q (Jul.-Sept.)

Sales of aerospace applications and that of environmental and energy related applications including compressed natural gas tanks expanded, however, demand for the sports application weakened due to the delay in recovery in the Asian market. Some general products for the Asian market saw intensified price competition.

Six Months (Apr.-Sept.)

Toray Group actively pursued sales growth in aerospace and general industrial applications, as demand for aircraft applications grew and that for environmental and energy fields including compressed natural gas tanks expanded. The recovery of the market for sports applications stalled reflecting the economic slowdown in Japan and abroad, and price competition has been intensifying.

Details of the Sales of Carbon Fiber Composite Materials Segment

[Sales ratio by sub-segment]

Unit: Billion yen

	FY Mar/12 2Q (Jul.-Sept.)		FY Mar/13 2Q (Jul.-Sept.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	6.2	36%	7.7	42%	+25%
Sports	3.3	19%	2.6	14%	-23%
Industrial	7.8	45%	7.9	44%	+1%
Total of Carbon Fiber Composite Materials	17.3		18.2		+5%

	FY Mar/12 Six Months (Apr.-Sept.)		FY Mar/13 Six Months (Apr.-Sept.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	13.1	36%	15.4	42%	+17%
Sports	7.3	20%	5.5	15%	-25%
Industrial	15.9	44%	15.6	43%	-2%
Total of Carbon Fiber Composite Materials	36.3		36.5		+1%

Business Results by Segment (Environment & Engineering)

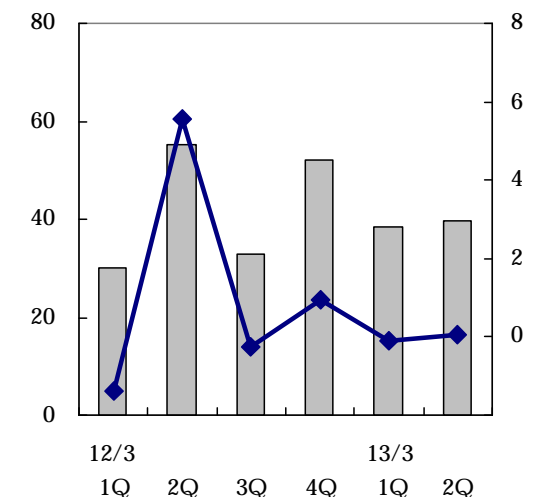
Unit: Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)

		2Q (Jul.-Sept.)			Six Months (Apr.-Sept.)		
		FY Mar/12	FY Mar/13	Changes	FY Mar/12	FY Mar/13	Changes
Net Sales	Toray	1.8	1.9	+0.1 (+6.9%)	3.2	3.5	+0.3 (+8.4%)
	Japanese Subsidiaries	52.2	36.3	-15.9 (-30.4%)	79.6	72.3	-7.3 (-9.2%)
	Overseas Subsidiaries	1.2	1.5	+0.3 (+23.6%)	2.5	2.4	-0.1 (-2.8%)
	Total	55.1	39.7	-15.4 (-28.0%)	85.3	78.1	-7.1 (-8.4%)
Operating Income	Toray	▲ 1.0	▲ 0.7	+0.3 (-)	▲ 1.7	▲ 1.4	+0.3 (-)
	Japanese Subsidiaries	4.6	0.8	-3.7 (-81.3%)	4.1	1.4	-2.7 (-65.8%)
	Overseas Subsidiaries	▲ 0.1	▲ 0.1	-0.1 (-)	▲ 0.2	▲ 0.2	-0.0 (-)
	Adjustment	2.1	0.0	-2.0	2.0	0.2	-1.8
	Total	5.6	0.1	-5.5 (-98.7%)	4.2	▲ 0.0	-4.2 (-)



2Q (Jul.-Sept.)

Water Treatment Business

The Company proceeded in winning orders for large-scale water treatment membrane business of reverse osmosis membranes, and expanded sales in China.

Japan

The number of completed large projects returned to the normal level which had concentrated in the same period of the previous year at the construction and real estate company. Engineering subsidiaries reported weak sales of their industrial equipment.

Six Months (Apr.-Sept.)

While demand for water treatment membranes was sluggish in its main markets such as Europe, U.S., Middle East and China, the Company has been pursuing activities to win orders for various water treatment membranes including reverse osmosis membrane around the world. Among domestic subsidiaries, compared with the same period a year earlier, the number of completed projects at the construction and real estate company declined, although the water treatment engineering subsidiary performed strongly.

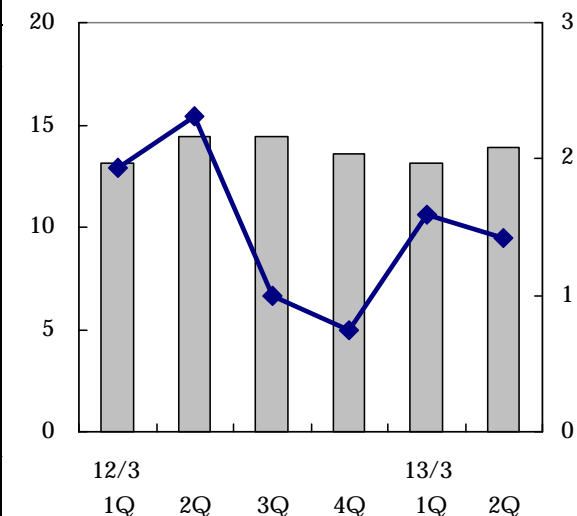
Business Results by Segment (Life Science)

Net Sales
<Bar chart>

Operating Income
<Line chart>

Unit: Billion yen

		2Q (Jul.-Sept.)				Six Months (Apr.-Sept.)			
		FY Mar/12	FY Mar/13	Changes		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	4.4	3.6	-0.9	(-19.4%)	8.7	7.4	-1.3	(-15.2%)
	Japanese Subsidiaries	9.6	10.1	+0.5	(+5.3%)	18.1	19.2	+1.2	(+6.4%)
	Overseas Subsidiaries	0.4	0.2	-0.2	(-39.8%)	0.8	0.4	-0.3	(-43.1%)
	Total	14.4	13.9	-0.5	(-3.6%)	27.5	27.0	-0.5	(-1.8%)
Operating Income	Toray	1.8	0.9	-0.9	(-49.4%)	3.5	2.6	-0.9	(-26.5%)
	Japanese Subsidiaries	0.6	0.6	+0.0	(+6.7%)	0.7	0.8	+0.1	(+8.1%)
	Overseas Subsidiaries	0.0	▲ 0.0	-0.1	(-)	0.0	▲ 0.1	-0.1	(-)
	Adjustment	▲ 0.1	▲ 0.1	-0.0		0.0	▲ 0.3	-0.3	
	Total	2.3	1.4	-0.9	(-38.7%)	4.2	3.0	-1.2	(-29.2%)



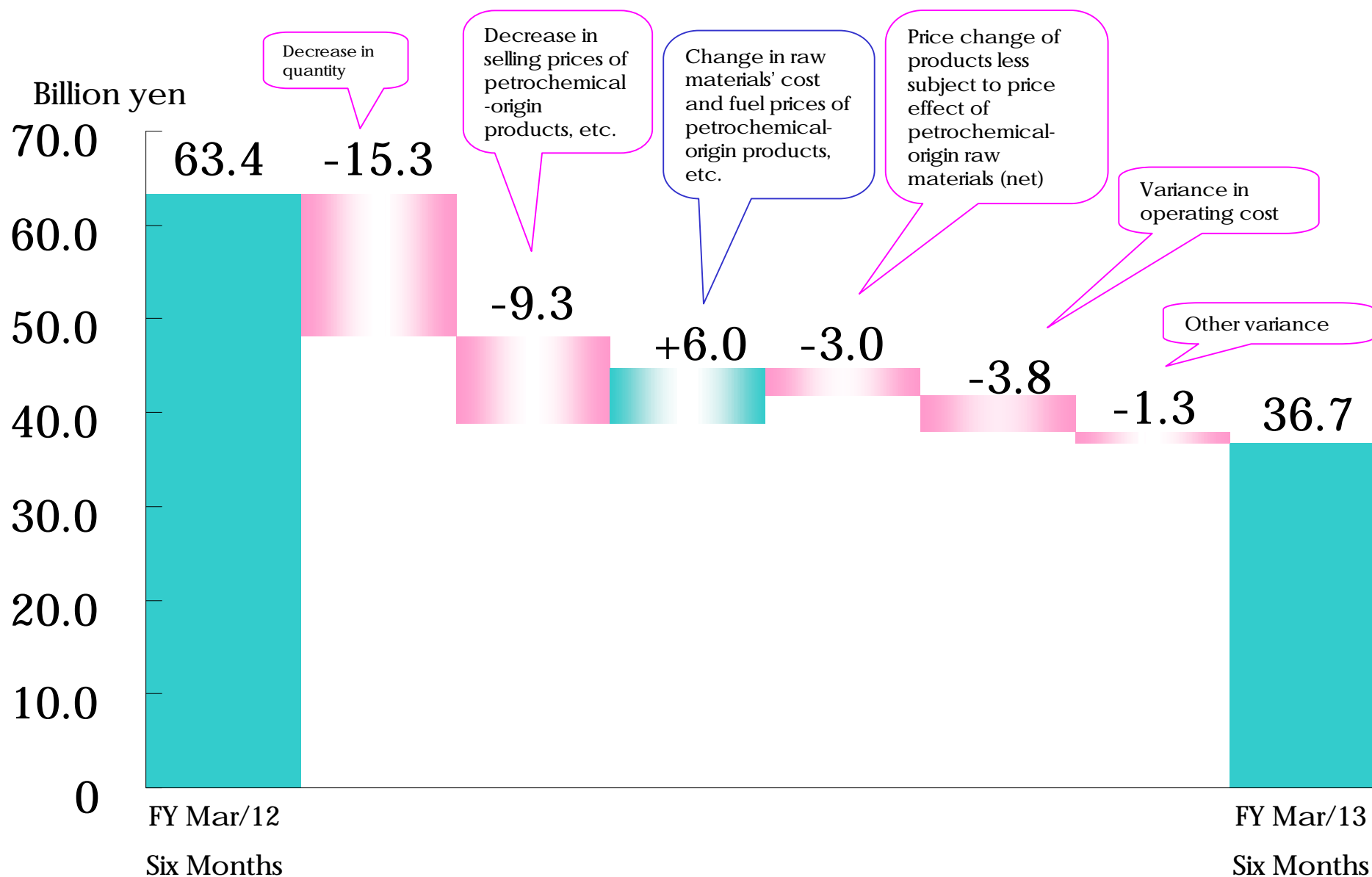
2Q (Jul.-Sept.)

Sales of medical products including TORAYLIGHT™NV, a polysulfone membrane artificial kidney, increased strongly. Sales of pharmaceutical products, however, were affected by intensified competition as well as the lowering of the selling price under the National Health Insurance (NHI) price revision in April this year.

Six Months (Apr.-Sept.)

Sales of medical products including TORAYLIGHT™NV, a polysulfone membrane artificial kidney, and TORAYMYXIN®, a hemoperfusion absorption column for removing endotoxin, increased strongly. Sales of pharmaceutical products, however, were affected by intensified competition as well as the lowering of the selling price under the National Health Insurance (NHI) price revision in April this year.

Income Variance Factor Analysis (Six Months)



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

Results of Major Subsidiaries (Six Months)

Billion yen

	Net Sales			Operating Income			
	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes	FY Mar/12 Six Months (Apr.-Sept.)	FY Mar/13 Six Months (Apr.-Sept.)	Changes	
Toray International Inc.	228.6	212.7	-15.8	3.9	4.3	+0.4	
Toray Engineering Co., Ltd.	39.3	40.1	+0.8	1.6	▲ 0.3	-1.8	
Toray Construction Co., Ltd.	30.9	20.4	-10.5	2.9	0.5	-2.4	
Toray Advanced Film Co., Ltd.	24.7	23.7	-1.0	1.8	1.2	-0.6	
Toray Medical Co., Ltd.	18.2	19.6	+1.4	0.7	0.8	+0.1	
TAK (Republic of Korea)	48.7	46.1	-2.6	8.3	6.2	-2.1	
TPM (Malaysia)	31.8	29.7	-2.0	0.5	0.8	+0.3	
Subsidiaries in Southeast Asia *1	Fibers & Textiles	52.0	43.9	-8.1	4.8	▲ 0.2	-5.0
	Plastics & Chemicals	38.4	34.7	-3.7	2.4	2.0	-0.3
	Others	3.3	4.1	+0.8	0.2	0.2	-0.0
	Total	93.7	82.7	-11.0	7.4	2.0	-5.4
Subsidiaries in China *2	Fibers & Textiles	49.5	52.6	+3.1	4.5	5.1	+0.6
	Plastics & Chemicals	27.7	27.4	-0.3	0.5	0.3	-0.3
	Others	5.1	6.0	+0.9	0.0	▲ 0.4	-0.4
	Total	82.2	86.0	+3.8	5.1	5.0	-0.1
Films Subsidiaries (Overseas) *3	Plastics & Chemicals	45.2	39.7	-5.5	7.0	4.0	-3.0
	IT-related Products	25.2	24.6	-0.6	4.5	3.7	-0.8
	Total	70.4	64.3	-6.1	11.5	7.7	-3.8

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

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

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

1Q vs. 2Q Comparison of Operating Income by Segment

Billion yen

Segment	Operating Income FY Mar/13 1Q → FY Mar/13 2Q () difference	Variance Factors
Fibers & Textiles	8.7 → 9.8 (+1.0)	<ul style="list-style-type: none"> • Shipment volume of garments for functional inner wear increased. • The effects of the floods in Thailand was alleviated at fibers and textiles subsidiaries in Thailand.
Plastics & Chemicals	5.5 → 5.0 (-0.5)	<ul style="list-style-type: none"> • Sales of plastic resins for automotive applications was steady on production expansion by automobile manufacturers. • Toray parent company as well as its Japanese subsidiaries reported weak performance of their chemicals products due to decrease in demand and decline in price.
IT-related Products	4.2 → 5.5 (+1.3)	<ul style="list-style-type: none"> • FPD-related materials recovered due to retrieval of operating rate at LCD panel manufacturers.
Carbon Fiber Composite Materials	2.2 → 2.0 (-0.2)	<ul style="list-style-type: none"> • Sales of aerospace and general industrial applications were steady, however, sports applications for Asia saw delay in market recovery, and price competition intensified.
Environment & Engineering	0.1 → 0.1 (+0.2)	<ul style="list-style-type: none"> • Mostly the same level as 1Q.
Life Science	1.6 → 1.4 (-0.2)	<ul style="list-style-type: none"> • Sales were steady while pharmaceutical-related costs increased.
Others	0.2 → 0.4 (+0.2)	
Adjustment	5.0 → 4.8 (+0.2)	
Consolidated	17.3 → 19.4 (+2.2)	

II. Business Forecast for the Fiscal Year Ending March 2013 (Consolidated Basis)

Forecast Summary

Billion yen

		FY Mar/12 Actual	FY Mar/13 New Forecast	Changes		Previous Forecast	Difference from Previous Forecast
Net Sales	1st Half	799.8	753.7	-46.1	(-5.8%)	790.0	-36.3
	2nd Half	788.8	871.3	+82.5	(+10.5%)	940.0	-68.7
	Total	1,588.6	1,625.0	+36.4	(+2.3%)	1,730.0	-105.0
Operating Income	1st Half	63.4	36.7	-26.7	(-42.1%)	40.0	-3.3
	2nd Half	44.3	53.3	+9.0	(+20.3%)	75.0	-21.7
	Total	107.7	90.0	-17.7	(-16.5%)	115.0	-25.0
Ordinary Income	1st Half	65.5	38.0	-27.5	(-41.9%)	39.0	-1.0
	2nd Half	44.3	53.0	+8.6	(-19.4%)	75.0	-22.0
	Total	109.8	91.0	-18.8	(-17.2%)	114.0	-23.0
Net Income	1st Half	40.1	20.0	-20.1	(-50.1%)	21.0	-1.0
	2nd Half	24.1	30.0	+5.9	(+24.3%)	45.0	-15.0
	Total	64.2	50.0	-14.2	(-22.1%)	66.0	-16.0

Net Income per Share	1st Half	24.6 yen	12.3 yen
	2nd Half	14.8 yen	18.4 yen
	Total	39.4 yen	30.7 yen
Dividend per Share	1st Half	5.0 yen	5.0 yen
	2nd Half	5.0 yen	5.0 yen
	Total	10.0 yen	10.0 yen

Remarks :
Estimated exchange rate : 79 yen / US\$ (October ~)
Estimated oil price : 112.5 US\$/ B (DUBAI FOB) (October ~)

Forecast by Segment

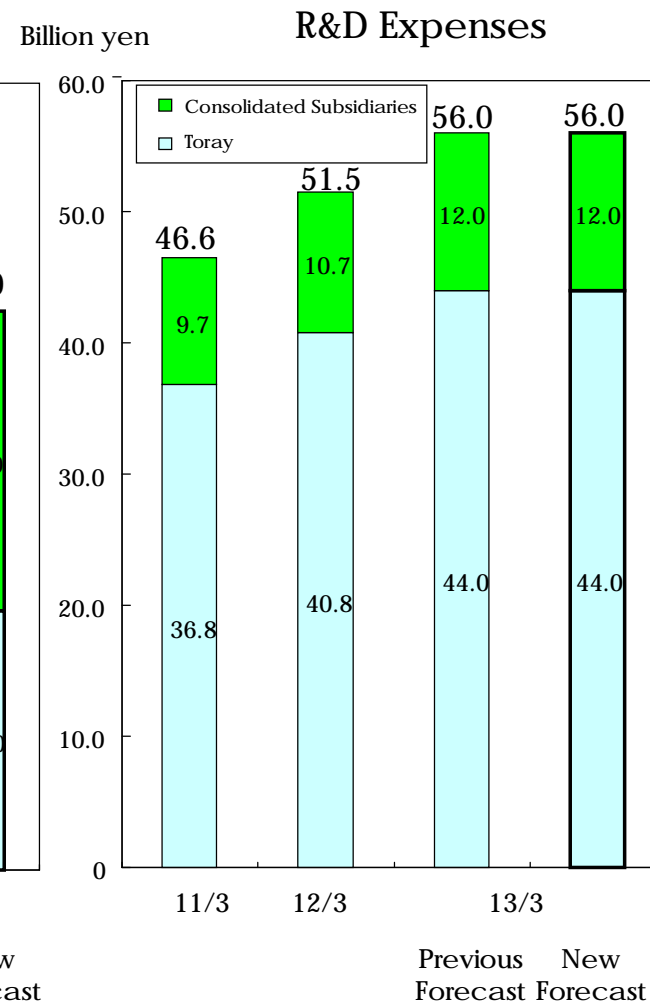
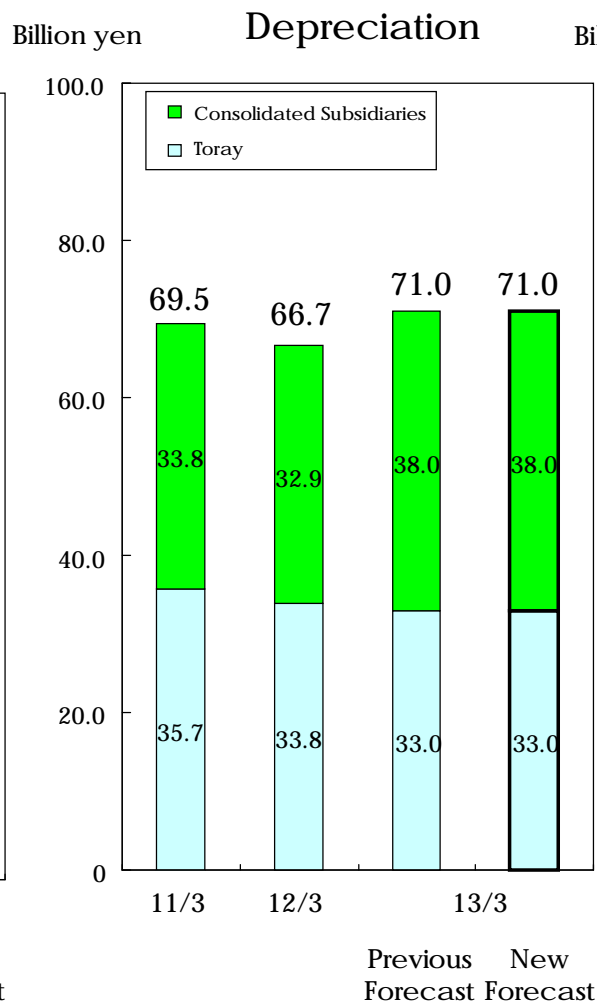
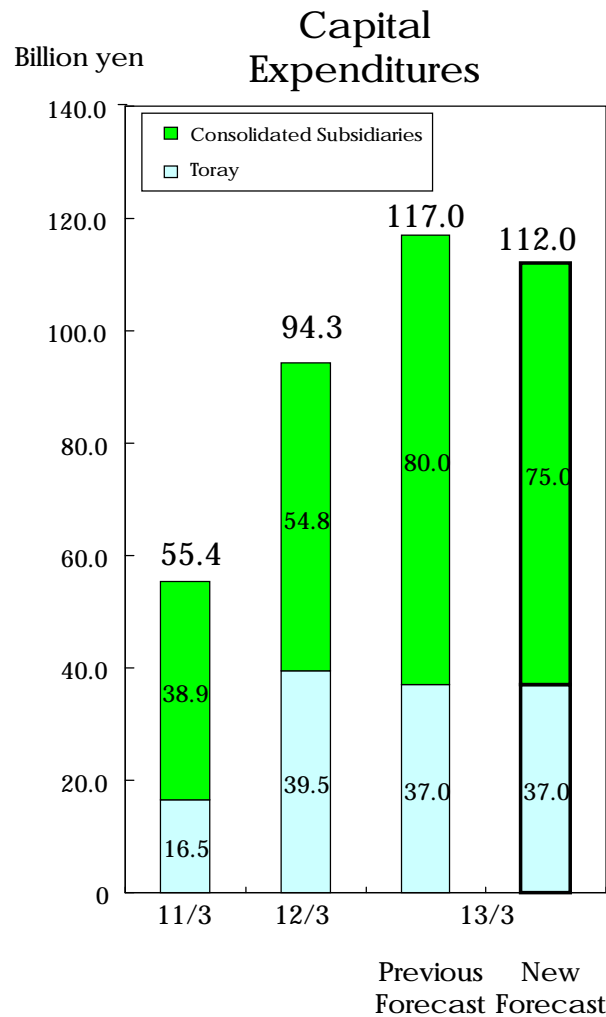
Billion yen

		FY Mar/12			FY Mar/13			Changes			Difference from Previous Forecast		
		1st Half Actual	2nd Half Actual	Full-year Actual	1st Half Actual	2nd Half Forecast	Full-year Forecast	1st Half Actual	2nd Half Forecast	Full-year Forecast	1st Half Actual	2nd Half Forecast	Full-year Forecast
Net Sales	Fibers & Textiles	307.5	330.9	638.4	288.9	346.1	635.0	-18.6	+15.3	-3.4	-21.1	-23.9	-45.0
	Plastics & Chemicals	206.5	191.4	397.8	195.0	200.0	395.0	-11.5	+8.7	-2.8	-15.0	-20.0	-35.0
	IT-related Products	130.0	113.4	243.4	121.1	128.9	250.0	-8.9	+15.5	+6.6	+1.1	-21.1	-20.0
	Carbon Fiber Composite Materials	36.3	33.6	69.9	36.5	43.5	80.0	+0.2	+9.9	+10.1	-3.5	-6.5	-10.0
	Environment & Engineering	85.3	85.0	170.2	78.1	111.9	190.0	-7.1	+26.9	+19.8	+3.1	+1.9	+5.0
	Life Science	27.5	28.0	55.6	27.0	33.0	60.0	-0.5	+4.9	+4.4	-1.0	+1.0	-
	Others	6.7	6.6	13.3	7.1	7.9	15.0	+0.4	+1.3	+1.7	+0.1	-0.1	-
	Consolidated	799.8	788.8	1,588.6	753.7	871.3	1,625.0	-46.1	+82.5	+36.4	-36.3	-68.7	-105.0
Operating Income	Fibers & Textiles	22.7	22.6	45.3	18.5	25.5	44.0	-4.2	+2.9	-1.3	-0.5	-4.5	-5.0
	Plastics & Chemicals	16.4	11.0	27.4	10.5	9.5	20.0	-5.9	-1.5	-7.4	-1.5	-5.5	-7.0
	IT-related Products	19.7	14.8	34.5	9.6	13.4	23.0	-10.1	-1.4	-11.5	-0.4	-7.6	-8.0
	Carbon Fiber Composite Materials	5.0	2.6	7.7	4.2	4.8	9.0	-0.8	+2.2	+1.3	-0.8	-2.2	-3.0
	Environment & Engineering	4.2	0.7	4.9	▲ 0.0	4.0	4.0	-4.2	+3.3	-0.9	-0.0	-2.0	-2.0
	Life Science	4.2	1.7	6.0	3.0	4.0	7.0	-1.2	+2.3	+1.0	+0.5	-0.5	-
	Others	0.5	0.9	1.3	0.7	1.4	2.0	+0.2	+0.5	+0.7	-0.4	+0.4	-
	Adjustment	▲ 9.4	▲ 9.9	▲ 19.4	▲ 9.8	▲ 9.2	▲ 19.0	-0.4	+0.8	+0.4	-0.3	+0.3	-
Consolidated	63.4	44.3	107.7	36.7	53.3	90.0	-26.7	+9.0	-17.7	-3.3	-21.7	-25.0	

Operating Income Comparison with Previous Forecast by Segment

Segment	Full-year Operating Income Previous Forecast → New Forecast () difference	Variance Factors
Fibers & Textiles	49.0 → 44.0 (-5.0)	<ul style="list-style-type: none"> • Expect apparel business to proceed on a weak note in general reflecting the world wide economic slowdown. • Expect garment business to remain steady. • Uncertainty for automotive applications is becoming stronger due to decrease in domestic demand given the impact of the end of the eco-car subsidies as well as decreasing demand for Japanese automobiles in China.
Plastics & Chemicals	27.0 → 20.0 (-7.0)	<ul style="list-style-type: none"> • Expect weak demand in films business due to the worldwide economic slump as well as intensifying price competition. • Uncertainty in the plastic resins business for automotive applications is becoming stronger due to decrease in domestic demand given the impact of the end of the eco-car subsidies as well as decreasing demand for Japanese automobiles in China.
IT-related Products	31.0 → 23.0 (-8.0)	<ul style="list-style-type: none"> • The production situation at large LCD panel manufacturers is slowly recovering, however, there are concerns over inventory adjustment among ultimate customers, so the Company anticipates that sales of related materials will not expand as much as the previous forecast.
Carbon Fiber Composite Materials	12.0 → 9.0 (-3.0)	<ul style="list-style-type: none"> • Expect steady business in aerospace applications and that of environmental and energy related applications including compressed natural gas tanks. • Expect to take longer period of time for the product price to recover because demand for general products are weak mainly in Asia.
Environment & Engineering	6.0 → 4.0 (-2.0)	<ul style="list-style-type: none"> • Expect water treatment business to proceed on a weak note due to worldwide economic slowdown. • Expect weak performance at engineering subsidiaries due to economic slump in Japan and overseas.
Life Science	7.0 → 7.0 (±0.0)	<ul style="list-style-type: none"> • Expect to be in line with the previous forecast.
Others	2.0 → 2.0 (±0.0)	<ul style="list-style-type: none"> • Expect to be in line with the previous forecast.
Adjustment	19.0 → 19.0 (±0.0)	
Consolidated	115.0 → 90.0 (-25.0)	

Forecast of Capital Expenditures, Depreciation, R&D Expenses



Descriptions of predicted business results, projections, and business plans for the Fiscal Year ending March 2013 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.