

May 10, 2013

**Announcement of Business Results
For the Fiscal Year Ended March 2013 and
Business Forecast for the Fiscal Year
Ending March 2014**

Toray Industries, Inc.



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**I. Business Results for the
Fiscal Year Ended March 2013
(Consolidated Basis)**

Summary of Consolidated Business Results For the Fiscal Year Ended March 2013



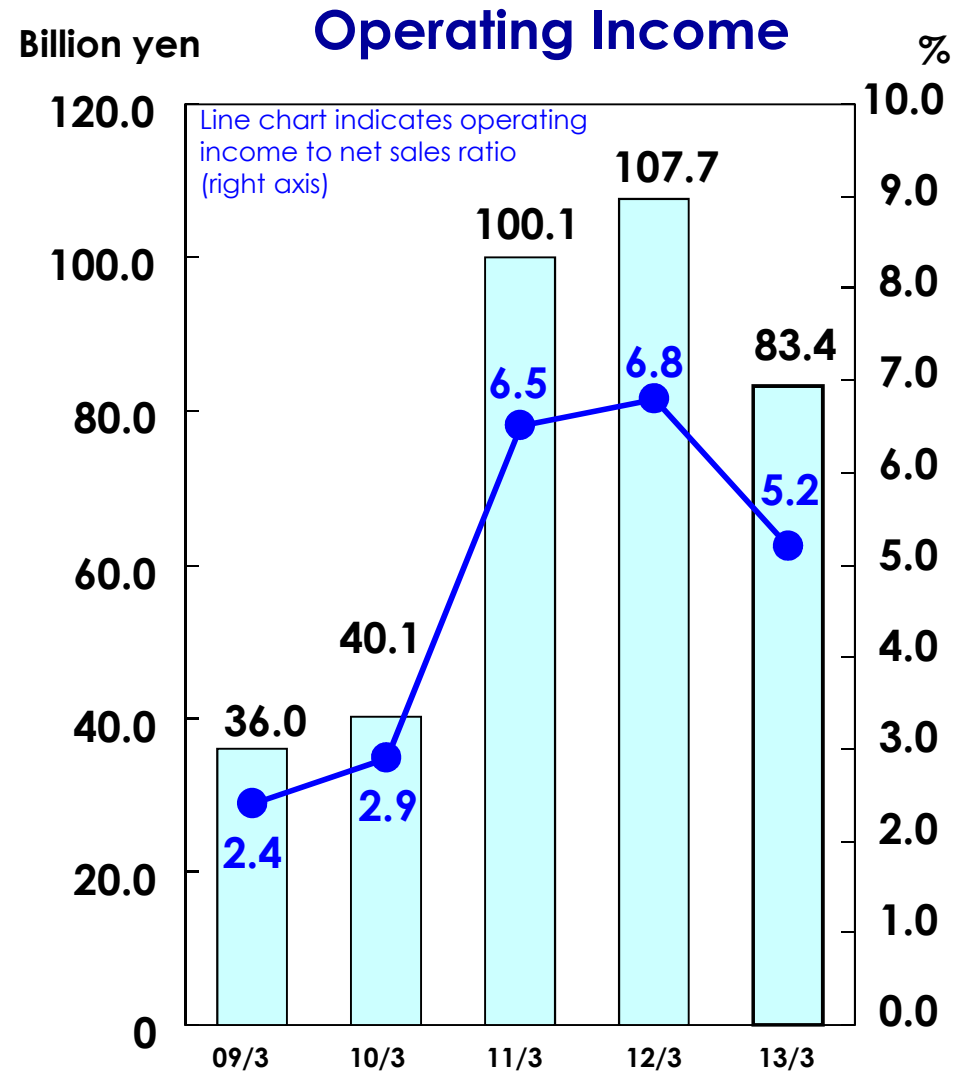
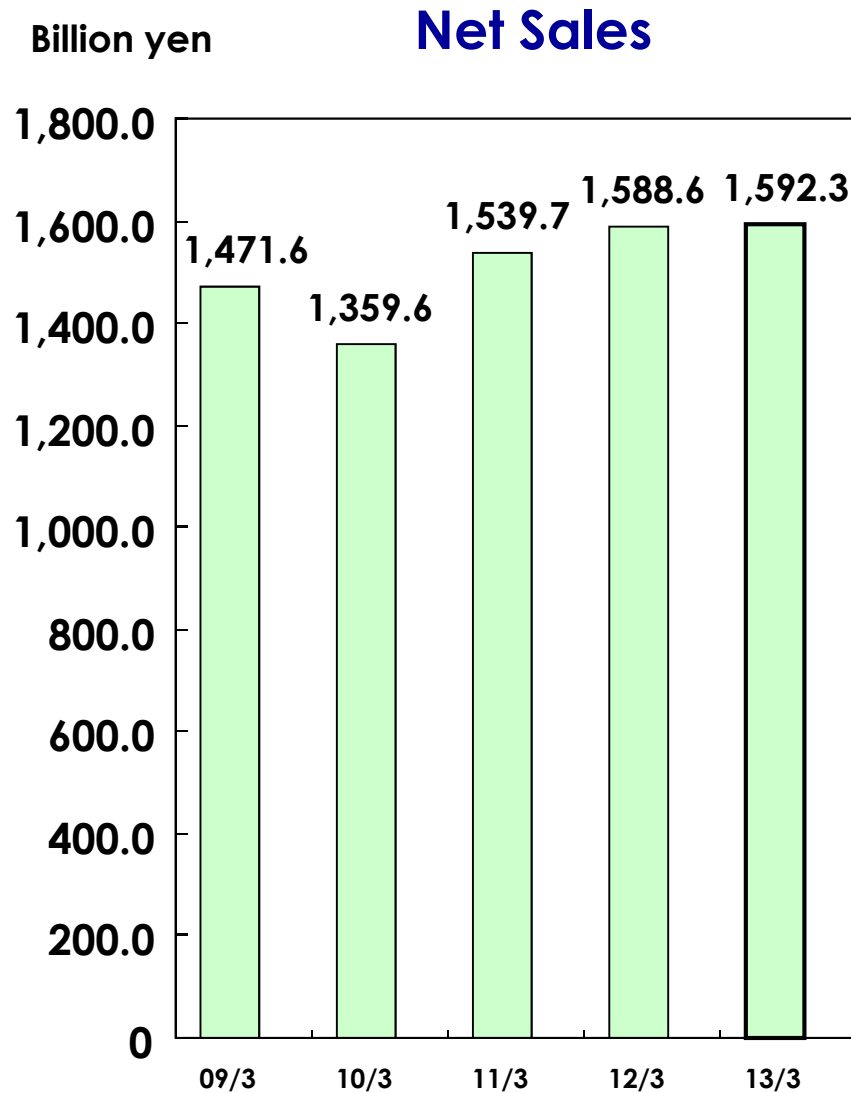
Unit: Billion yen

	FY Mar/12			FY Mar/13			Changes
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	
Net Sales	799.8	788.8	1,588.6	753.7	838.6	1,592.3	+3.7 (+0.2%)
Cost of Sales	628.0	633.1	1,261.1	604.8	675.8	1,280.6	+19.5 (+1.5%)
Gross Profit	171.8	155.7	327.5	148.9	162.7	311.6	- 15.9 (-4.8%)
(Gross Profit to Net Sales)	21.5%	19.7%	20.6%	19.8%	19.4%	19.6%	- 1.0 point
Operating Income	63.4	44.3	107.7	36.7	46.7	83.4	- 24.3 (-22.5%)
(Operating Income to Net Sales)	7.9%	5.6%	6.8%	4.9%	5.6%	5.2%	- 1.5 points
Non-operating Income and Expenses, net	2.1	0.0	2.1	1.3	3.5	4.8	+2.7
Ordinary Income	65.5	44.3	109.8	38.0	50.2	88.2	- 21.6 (-19.7%)
Special Credits and Charges, net	▲ 3.1	▲ 5.7	▲ 8.8	▲ 6.7	▲ 3.7	▲ 10.4	- 1.7
Income before Income Taxes	62.4	38.7	101.1	31.3	46.5	77.8	- 23.3 (-23.0%)
Net Income	40.1	24.1	64.2	20.0	28.5	48.5	- 15.7 (-24.5%)
Net Income per share	24.6 yen	14.8 yen	39.4 yen	12.3 yen	17.5 yen	29.8 yen	
Dividend per share	5.0 yen	5.0 yen	10.0 yen	5.0 yen	5.0 yen	10.0 yen	

Exchange Rate	
<Yen/US\$>	
	FY Mar/12 → FY Mar/13
Average:	79.1 → 83.1
End of the term:	82.2 → 94.1
<Yen/Euro>	
	FY Mar/12 → FY Mar/13
Average:	109.0 → 107.1
End of the term:	109.8 → 120.7
Oil Price	
<US\$/B> (DUBAI FOB)	
	FY Mar/12 → FY Mar/13
Average:	110.1 → 107.1

*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.

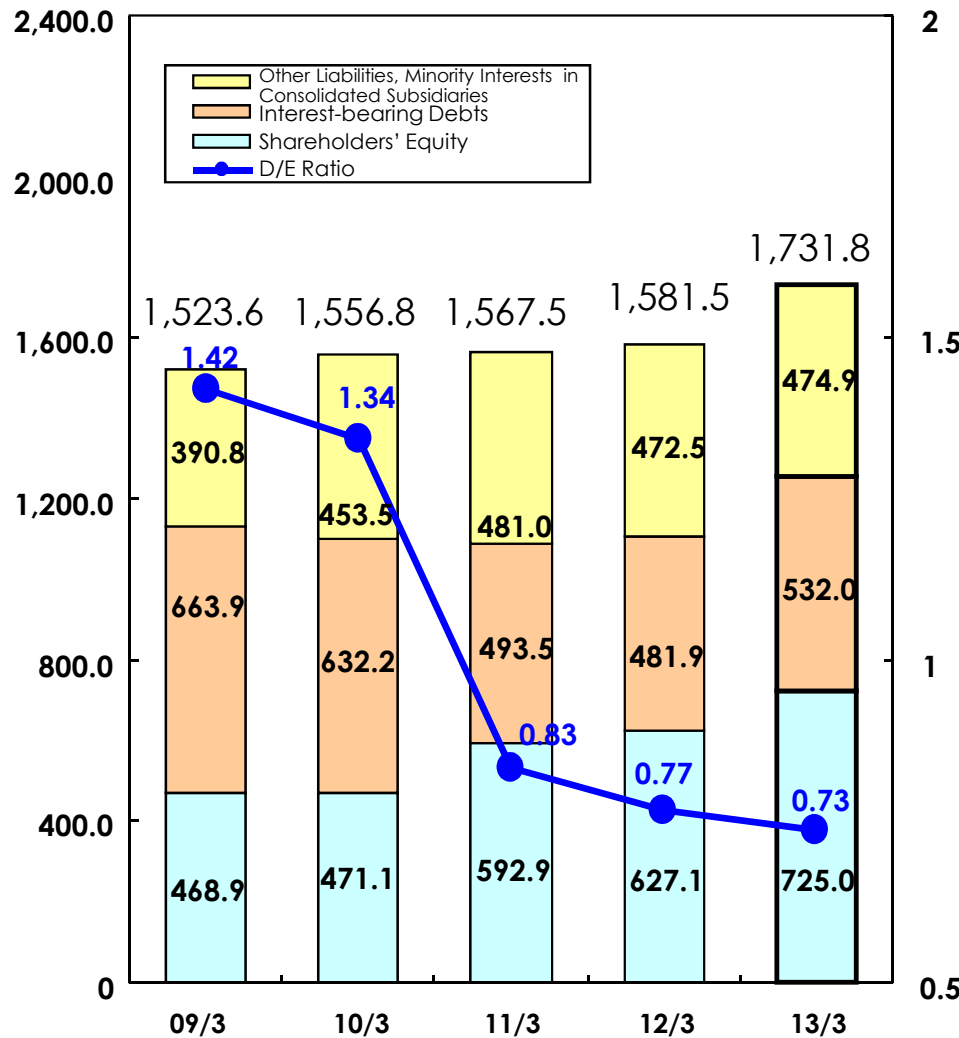
Trends in Net Sales and Operating Income



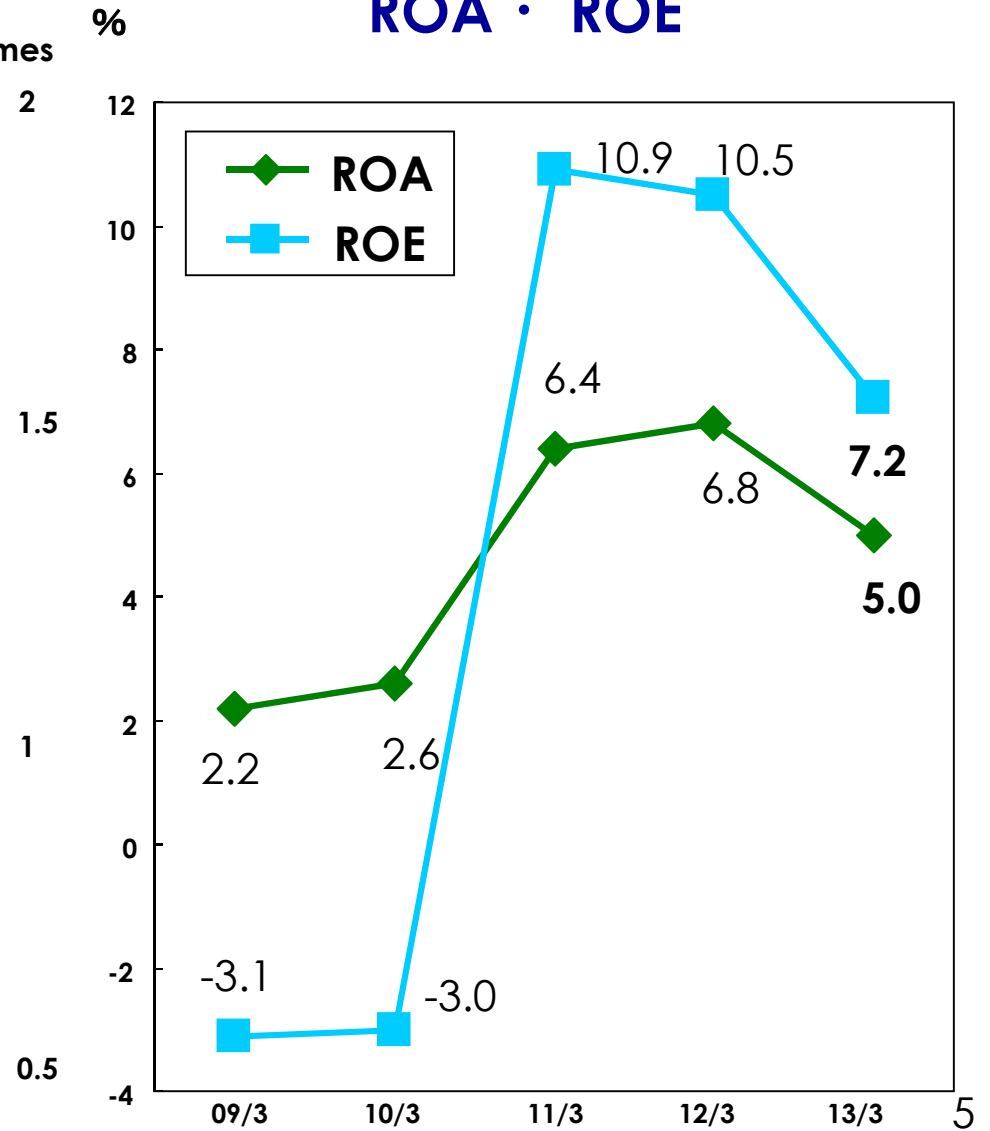
Total Assets, D/E Ratio and ROA · ROE

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

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



ROA · ROE



Non-operating Income and Expenses

Billion yen

	FY Mar/12	FY Mar/13	Changes
Non-operating Income	14.2	17.4	+3.2
Interest and Dividend Income	3.2	3.2	+0.0
Equity in Earnings of Affiliates	5.2	7.4	+2.2
Others	5.8	6.7	+0.9
Non-operating Expenses	▲ 12.1	▲ 12.6	-0.5
Interest Expenses	▲ 5.8	▲ 5.5	+0.3
Costs related to Start-up of New Facilities	▲ 0.6	▲ 1.4	-0.8
Costs related to Idle Facilities	▲ 1.5	▲ 1.9	-0.3
Others	▲ 4.2	▲ 3.8	+0.3
Non-operating Income and Expenses, net	2.1	4.8	+2.7
Interest and Dividend Income, Interest Expenses, net	▲ 2.6	▲ 2.2	+0.4

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

Special Credits and Charges

Billion yen

	FY Mar/12	FY Mar/13	Changes
Special Credits	0.7	1.4	+0.6
Gain on Sales of Property, Plant and Equipment	0.5	1.0	+0.5
Gain on Sales of Investment Securities	0.2	0.1	-0.1
Insurance Income	-	0.3	+0.3
Others	0.0	0.0	-0.0
Special Charges	▲ 9.5	▲ 11.8	-2.3
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 4.6	▲ 5.4	-0.8
Loss on Impairment of Fixed Assets	▲ 0.2	▲ 2.0	-1.7
Loss on Disaster	▲ 1.2	▲ 1.7	-0.4
Loss on Write-down of Investment Securities	▲ 0.2	▲ 1.4	-1.2
Restructuring Costs	▲ 1.6	▲ 0.3	+1.3
Loss on Step Acquisitions	▲ 1.0	-	+1.0
Others	▲ 0.6	▲ 1.0	-0.5
Special Credits and Charges, net	▲ 8.8	▲ 10.4	-1.7

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

Assets, Liabilities, Net Assets and Free Cash Flows

Billion yen

	End of Mar/12	End of Mar/13	Changes
Total Assets	1,581.5	1,731.8	+150.3
Current Assets	726.2	796.7	+70.5
Tangible Assets	561.9	627.2	+65.3
Intangible Assets	42.6	42.6	±0
Investment and Other Assets	250.7	265.2	+14.5
Total Liabilities	907.4	952.2	+44.9
Current Liabilities	515.8	550.3	+34.4
Other Liabilities	391.5	401.9	+10.4
Total Net Assets	674.1	779.6	+105.5

<Free Cash Flows>

Billion yen

	FY Mar/12	FY Mar/13	Changes
Cash Flows from Operating Activities	104.4	100.8	-3.6
Cash Flows from Investment Activities	▲ 104.0	▲ 107.5	-3.5
Free Cash Flows	0.4	▲ 6.7	-7.1

Net Sales and Operating Income by Segment **TORAY** Innovation by Chemistry

Unit: Billion yen

		Net Sales				Operating Income			
		FY Mar/12	FY Mar/13	Changes	(%)	FY Mar/12	FY Mar/13	Changes	(%)
Fibers & Textiles	1st Half	307.5	288.9	-18.6	(-6.1%)	22.7	18.5	-4.2	(-18.5%)
	2nd Half	330.9	343.3	+12.4	(+3.8%)	22.6	24.7	+2.1	(+9.3%)
	Total	638.4	632.2	-6.2	(-1.0%)	45.3	43.2	-2.1	(-4.6%)
Plastics & Chemicals	1st Half	206.5	195.0	-11.5	(-5.6%)	16.4	10.5	-5.9	(-35.9%)
	2nd Half	191.4	200.9	+9.5	(+5.0%)	11.0	7.8	-3.2	(-29.0%)
	Total	397.8	395.8	-2.0	(-0.5%)	27.4	18.3	-9.1	(-33.2%)
IT-related Products	1st Half	130.0	121.1	-8.9	(-6.9%)	19.7	9.6	-10.1	(-51.1%)
	2nd Half	113.4	116.5	+3.1	(+2.7%)	14.8	13.3	-1.5	(-9.9%)
	Total	243.4	237.6	-5.8	(-2.4%)	34.5	23.0	-11.6	(-33.5%)
Carbon Fiber Composite Materials	1st Half	36.3	36.5	+0.2	(+0.6%)	5.0	4.2	-0.8	(-16.8%)
	2nd Half	33.6	41.1	+7.5	(+22.3%)	2.6	3.1	+0.5	(+17.9%)
	Total	69.9	77.6	+7.7	(+11.0%)	7.7	7.3	-0.4	(-4.8%)
Environment & Engineering	1st Half	85.3	78.1	-7.1	(-8.4%)	4.2	▲ 0.0	-4.2	(-)
	2nd Half	85.0	100.2	+15.2	(+17.9%)	0.7	2.7	+2.0	(+285.8%)
	Total	170.2	178.4	+8.1	(+4.8%)	4.9	2.6	-2.3	(-46.2%)
Life Science	1st Half	27.5	27.0	-0.5	(-1.8%)	4.2	3.0	-1.2	(-29.2%)
	2nd Half	28.0	29.6	+1.5	(+5.5%)	1.7	4.5	+2.7	(+156.4%)
	Total	55.6	56.6	+1.0	(+1.9%)	6.0	7.5	+1.5	(+24.7%)
Others	1st Half	6.7	7.1	+0.4	(+6.3%)	0.5	0.7	+0.2	(+38.0%)
	2nd Half	6.6	7.0	+0.4	(+6.2%)	0.9	0.9	+0.0	(+5.1%)
	Total	13.3	14.1	+0.8	(+6.3%)	1.3	1.6	+0.2	(+16.7%)
Adjustment	1st Half					▲ 9.4	▲ 9.8	-0.4	
	2nd Half					▲ 9.9	▲ 10.2	-0.2	
	Total					▲ 19.4	▲ 20.0	-0.6	
Consolidated	1st Half	799.8	753.7	-46.1	(-5.8%)	63.4	36.7	-26.7	(-42.1%)
	2nd Half	788.8	838.6	+49.7	(+6.3%)	44.3	46.7	+2.4	(+5.5%)
	Total	1,588.6	1,592.3	+3.7	(+0.2%)	107.7	83.4	-24.3	(-22.5%)

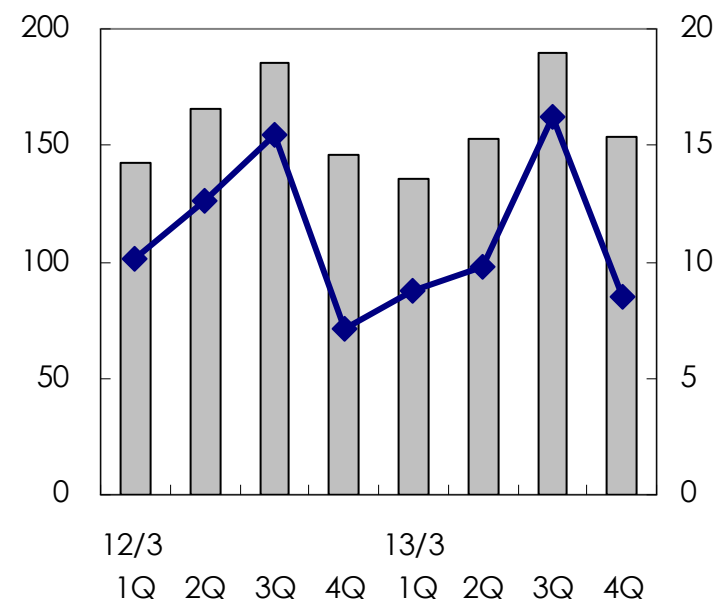
Business Results by Segment (Fibers & Textiles)

Unit: Billion yen

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	103.8	98.2	-5.6	(-5.4%)
	Japanese Subsidiaries	328.1	326.1	-1.9	(-0.6%)
	Overseas Subsidiaries	206.5	207.8	+1.3	(+0.6%)
	Total	638.4	632.2	-6.2	(-1.0%)
Operating Income	Toray	11.8	12.6	+0.8	(+7.0%)
	Japanese Subsidiaries	11.6	10.9	-0.7	(-6.3%)
	Overseas Subsidiaries	23.0	18.8	-4.2	(-18.1%)
	Adjustment	▲ 1.0	0.9	+2.0	
	Total	45.3	43.2	-2.1	(-4.6%)

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



Japan

: While sales of industrial-use materials grew strongly fueled by factors including rising sales for automotive applications reflecting production expansion by automobile manufacturers in the first half, the demand showed a decelerating trend in the second half as the subsidies for purchase of eco-cars ended. Demand for apparel applications remained weak due to the slowing economy, except for functional apparel materials for fall and winter, sales of which were strong.

Overseas

: In addition to sluggish demand in Asia given the impact of the slowdown in the US and European economies and deceleration in China's domestic demand, both production and sales in the first half were affected by the floods in Thailand.

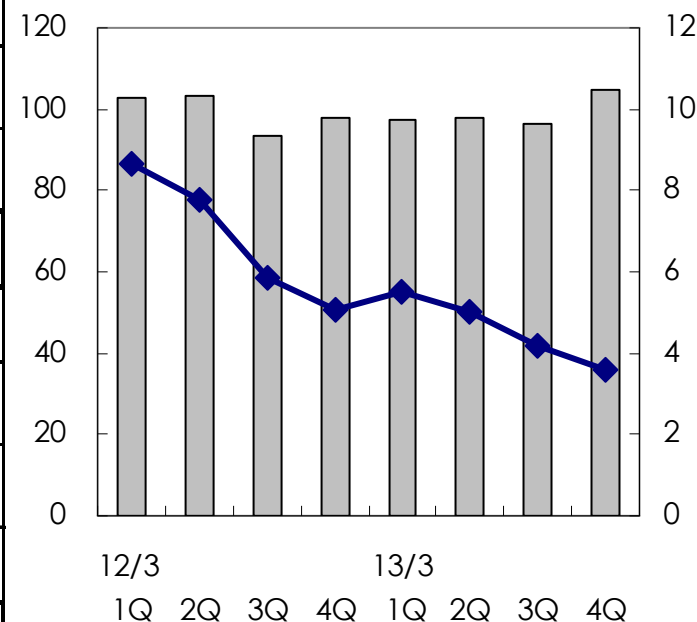
Business Results by Segment (Plastics & Chemicals)

Unit: Billion yen

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	81.3	75.8	-5.5	(-6.7%)
	Japanese Subsidiaries	141.8	138.4	-3.4	(-2.4%)
	Overseas Subsidiaries	174.7	181.6	+6.9	(+3.9%)
	Total	397.8	395.8	-2.0	(-0.5%)
Operating Income	Toray	4.5	0.3	-4.2	(-93.0%)
	Japanese Subsidiaries	8.9	6.7	-2.3	(-25.4%)
	Overseas Subsidiaries	13.6	10.9	-2.7	(-19.9%)
	Adjustment	0.3	0.4	+0.1	
	Total	27.4	18.3	-9.1	(-33.2%)

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



Plastic Resins Business

: Sales volume of engineering plastics for automotive applications in the resins business increased in the first half on expanded production primarily by automobile manufacturers in Japan, though demand declined in the third quarter due to the ending of subsidies for purchase of eco-cars. Overseas, while shipment of general-purpose ABS resins remained sluggish reflecting the continued stagnation in the Chinese market, sales of resin compounds, etc. for automobile application in the US expanded.

Films Business

: Sales increased at subsidiaries in Asia, however, there were impact of the rising local currency as well as the intensifying price competition. Demand for film products remained sluggish in the US and Europe due to the economic slowdown, while price competition continued to intensify.

Business Results by Segment (IT-related Products)

TORAY

Innovation by Chemistry

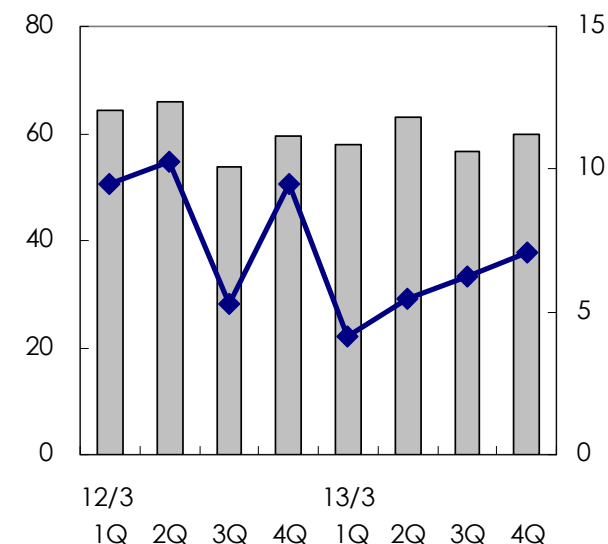
Unit: Billion yen

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	100.1	85.7	-14.4	(-14.4%)
	Japanese Subsidiaries	72.4	78.5	+6.1	(+8.5%)
	Overseas Subsidiaries	71.0	73.4	+2.4	(+3.4%)
	Total	243.4	237.6	-5.8	(-2.4%)
Operating Income	Toray	21.6	11.6	-10.0	(-46.1%)
	Japanese Subsidiaries	4.7	6.3	+1.6	(+35.1%)
	Overseas Subsidiaries	8.3	8.9	+0.6	(+7.2%)
	Adjustment	▲ 0.0	▲ 3.8	-3.8	
	Total	34.5	23.0	-11.6	(-33.5%)

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)



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, as recovery in demand was slow, and price competition intensified. Among materials for small and mid-sized displays, sales of smartphone-related products increased, while those for other applications remained sluggish in general.

Details of the Sales of IT-related Products Segment

【Sales ratio by sub-segment】

Unit: Billion yen

	FY Mar/12		FY Mar/13		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	90.3	37%	79.0	33%	-13%
Electronic Components, Semiconductor, Electric Circuit Materials	86.2	35%	96.6	41%	+12%
Data Storage Materials	34.1	14%	31.2	13%	-8%
Equipment, others	32.8	13%	30.7	13%	-6%
Total of IT-related Products Segment	243.4		237.6		-2%

Display materials: Sales of films and processed film products were steady, however, sales of PDP-related materials and small and mid-sized LCD color filters were sluggish except for those for smartphones.

Electronic components, semiconductor, electric circuit materials: Although sales of electric circuit materials were affected by the weak demand for PCs, etc., overall sales increased with the contribution of Toray Battery Separator Film Co., Ltd. which was made Toray's wholly-owned subsidiary.

Data storage materials: Sales of films for magnetic materials and thermal transfer ribbons were weak.

Equipment, others: Shipment of LCD color filter production equipment, etc., decreased.

Business Results by Segment (Carbon Fiber Composite Materials)

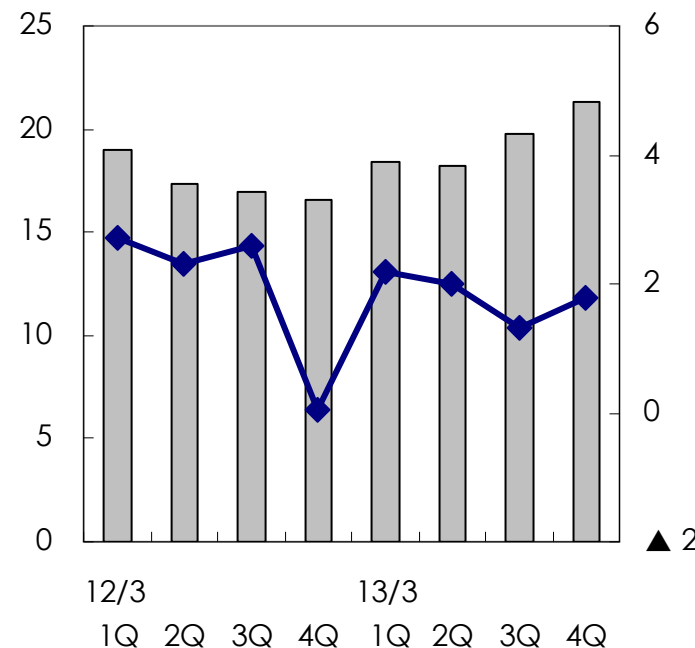
Unit: Billion yen

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	56.4	64.5	+8.2	(+14.5%)
	Japanese Subsidiaries	43.1	44.4	+1.3	(+3.1%)
	Overseas Subsidiaries	56.2	61.9	+5.7	(+10.1%)
	Adjustment	▲ 85.7	▲ 93.2	-7.5	
	Total	69.9	77.6	+7.7	(+11.0%)
Operating Income	Toray	3.0	3.3	+0.3	(+8.3%)
	Japanese Subsidiaries	0.4	0.5	+0.2	(+39.5%)
	Overseas Subsidiaries	4.3	4.5	+0.2	(+4.9%)
	Adjustment	▲ 0.0	▲ 1.0	-1.0	
	Total	7.7	7.3	-0.4	(-4.8%)

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)



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.

Sales in aerospace and general industrial applications were strong, as demand for aircraft applications grew and that for environmental and energy fields including compressed natural gas tank applications expanded. The recovery of the market for sports applications stalled reflecting the economic slowdown in Japan and overseas, 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		FY Mar/13		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	26.7	38%	30.4	39%	+14%
Sports	13.3	19%	12.2	16%	-8%
Industrial	29.9	43%	35.0	45%	+17%
Total of Carbon Fiber Composite Materials	69.9		77.6		+11%

Aerospace: In addition to shipment of products for existing models of Boeing Co., and the Airbus, shipment of products for Boeing 787 were steady.

Sports: Although there were signs of demand recovery resulting from full-scale production of the 2013 model after fall 2012, price competition continued to intensify in general products application.

Industrial: Sales of materials mainly for compressed natural gas tank, etc. were steady.
As for composite products, materials for PC chassis performed strongly.

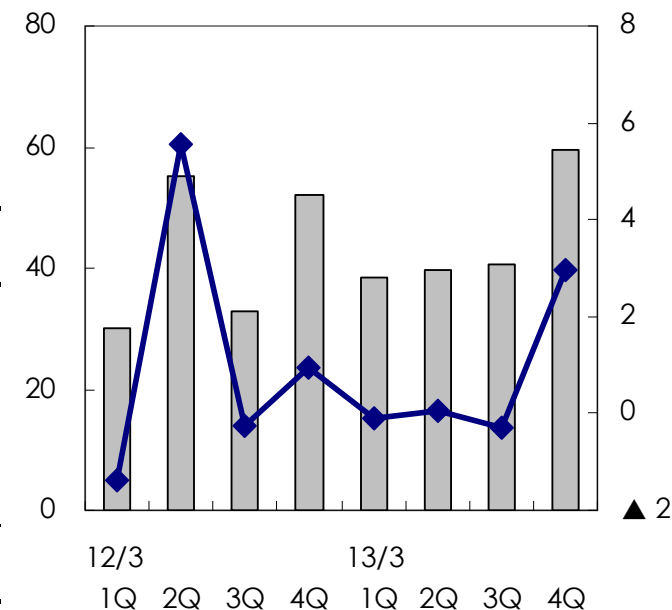
Business Results by Segment (Environment & Engineering)

Unit: Billion yen

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	7.5	8.5	+1.0	(+13.9%)
	Japanese Subsidiaries	158.1	164.8	+6.7	(+4.2%)
	Overseas Subsidiaries	4.6	5.0	+0.4	(+8.9%)
	Total	170.2	178.4	+8.1	(+4.8%)
Operating Income	Toray	▲ 3.1	▲ 2.5	+0.6	(-)
	Japanese Subsidiaries	6.4	5.0	-1.4	(-21.3%)
	Overseas Subsidiaries	▲ 0.7	0.0	+0.7	(-)
	Adjustment	2.4	0.1	-2.2	
	Total	4.9	2.6	-2.3	(-46.2%)

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



Water Treatment Business

Japan

- : While demand for water treatment membranes was sluggish in its main markets such as Europe, US, Middle East and China, Toray Group has been pursuing global sales expansion and cost reduction of various water treatment membranes including reverse osmosis membrane.
- : Japanese subsidiaries in general expanded sales, while a construction and real estate subsidiary was affected by cost increases and an engineering subsidiary by decline in purchase price due to intensifying competition.

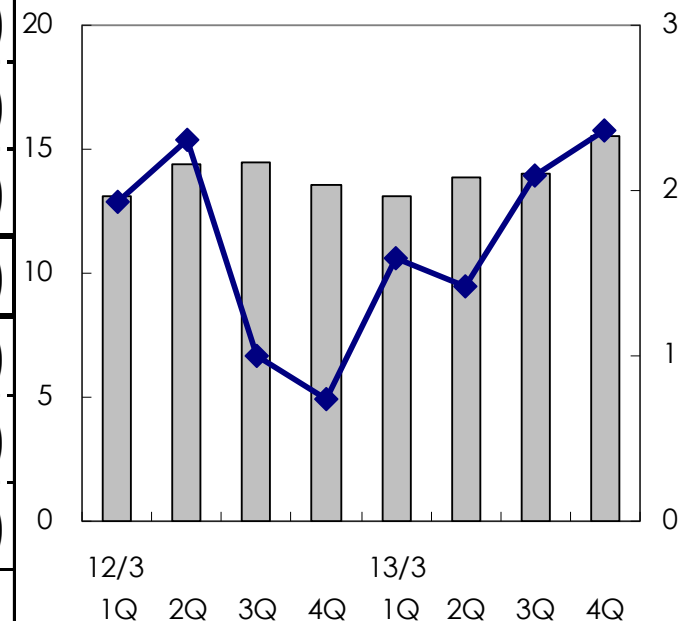
Business Results by Segment (Life Science)

Unit: Billion yen

Net Sales
<Bar chart>

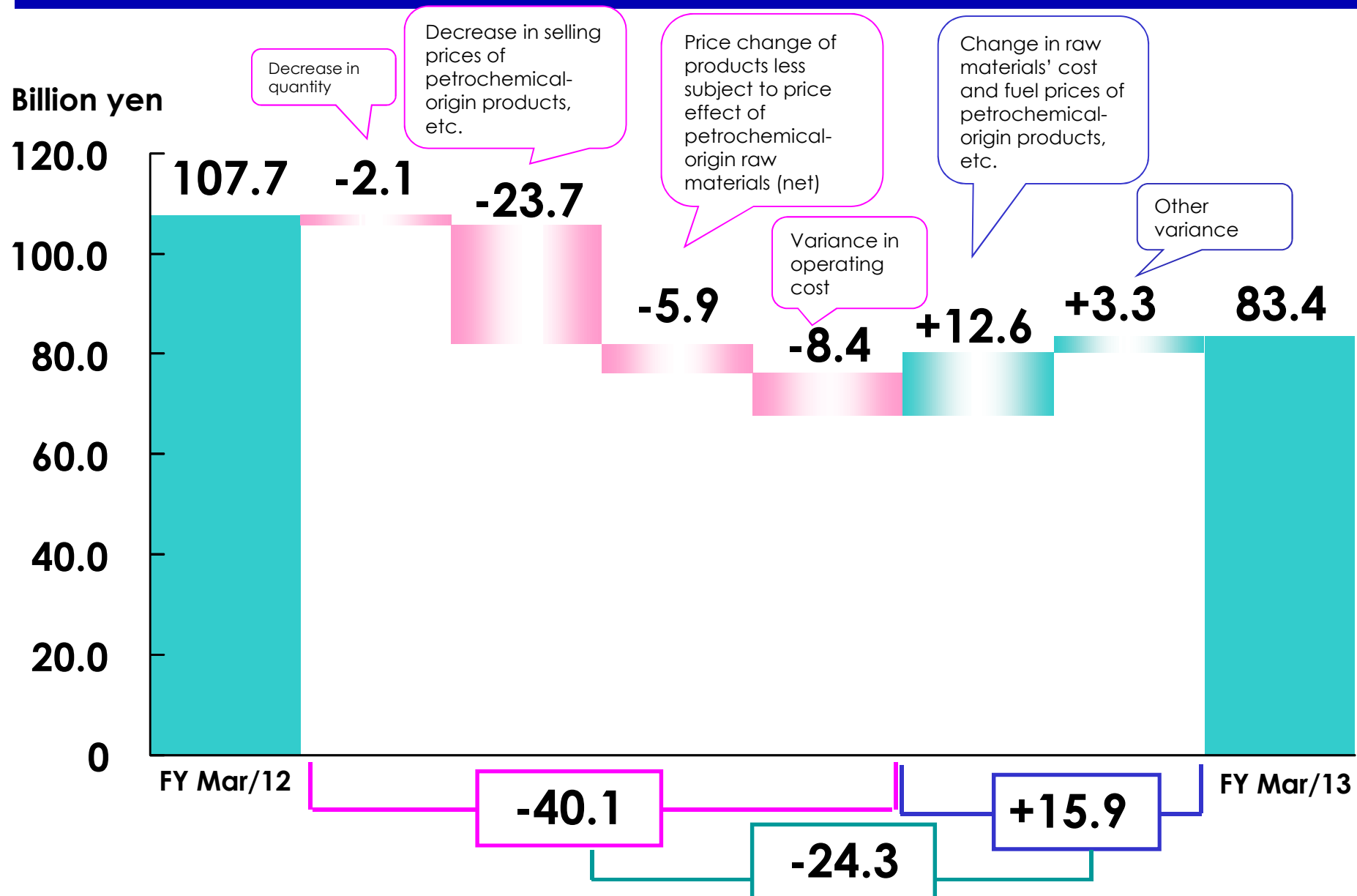
Operating Income
<Line chart>
(Billion yen)

		FY Mar/12	FY Mar/13	Changes	
Net Sales	Toray	16.4	16.6	+0.2	(+1.2%)
	Japanese Subsidiaries	37.8	38.9	+1.1	(+2.9%)
	Overseas Subsidiaries	1.4	1.1	-0.3	(-19.2%)
	Total	55.6	56.6	+1.0	(+1.9%)
Operating Income	Toray	4.3	5.8	+1.4	(+33.6%)
	Japanese Subsidiaries	1.8	1.9	+0.1	(+2.7%)
	Overseas Subsidiaries	0.0	▲ 0.4	-0.4	(-)
	Adjustment	▲ 0.2	0.2	+0.4	
	Total	6.0	7.5	+1.5	(+24.7%)



Sales of medical products including TORAYLIGHT™NV, a polysulfone membrane artificial kidney, and TORAYMYXIN™, a hemoperfusion absorption column for removing endotoxins, 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 2012.

Income Variance Factor Analysis



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

Results of Major Subsidiaries

Billion yen

		Net Sales			Operating Income		
		FY Mar/12	FY Mar/13	Changes	FY Mar/12	FY Mar/13	Changes
Toray International Inc.		479.3	479.1	-0.2	9.2	10.1	+0.9
Toray Engineering Co., Ltd.		94.0	88.7	-5.3	4.1	2.0	-2.2
Toray Construction Co., Ltd.		58.2	57.3	-0.8	2.1	1.6	-0.5
Toray Advanced Film Co., Ltd.		46.8	46.0	-0.8	3.4	3.1	-0.4
Toray Medical Co., Ltd.		38.1	40.0	+1.8	1.8	1.9	+0.1
TAK (Republic of Korea)		92.7	94.5	+1.8	14.9	13.5	-1.4
TPM (Malaysia)		59.0	58.1	-0.9	0.3	1.9	+1.6
Subsidiaries in Southeast Asia *1	Fibers & Textiles	97.2	91.1	-6.1	5.7	1.7	-4.0
	Plastics & Chemicals	70.3	69.4	-1.0	3.3	4.1	+0.8
	Others	6.5	7.0	+0.5	0.3	0.3	-0.0
	Total	174.1	167.5	-6.6	9.3	6.1	-3.2
Subsidiaries in China *2	Fibers & Textiles	119.4	124.3	+5.0	10.9	11.6	+0.7
	Plastics & Chemicals	52.9	54.6	+1.7	0.8	0.5	-0.4
	Others	11.2	12.7	+1.6	▲ 0.5	▲ 0.6	-0.1
	Total	183.4	191.7	+8.3	11.2	11.4	+0.3
Films Subsidiaries (Overseas) *3	Plastics & Chemicals	83.2	79.4	-3.8	11.5	6.9	-4.6
	IT-related Products	48.5	50.9	+2.5	8.5	8.8	+0.3
	Total	131.7	130.3	-1.4	20.0	15.7	-4.4

*1 : ITS, ETX, ISTEM, ACTEM, CENTEX, TPJ, PFR, PAB-G, TTS, LTX, TTTM, 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

Number of Employees, Changes in Subsidiaries and Affiliates

Number of Employees

Number of people

	End of Mar/12	End of Mar/13	Changes
Toray	6,976	7,097	+121
Japanese Consolidated Subsidiaries	10,303	10,177	- 126
Overseas Consolidated Subsidiaries	22,948	25,310	+2,362
Total	40,227	42,584	+2,357

Changes in Subsidiaries and Affiliates

Number of companies

		End of Mar/12	End of Mar/13	Changes
Consolidated Subsidiaries (a)	Japan	60	61	+1
	Overseas	83	86	+3
	Total	143	147	+4
Subsidiaries accounted for by Equity Method (b)	Japan	27	27	±0
	Overseas	24	24	±0
	Total	51	51	±0
Total Subsidiaries (a) + (b)	Japan	87	88	+1
	Overseas	107	110	+3
	Total	194	198	+4
Affiliates accounted for by Equity Method (c)	Japan	13	12	-1
	Overseas	24	26	+2
	Total	37	38	+1
Companies subject to Consolidation (a) + (b) + (c)	Japan	100	100	±0
	Overseas	131	136	+5
	Total	231	236	+5

II. Business Forecast for the Fiscal Year Ending March 2014 (Consolidated Basis)

Forecast Summary

Billion yen

		FY Mar/13 Actual	FY Mar/14 Forecast	Changes
Net Sales	1st Half	753.7	835.0	+81.3 (+10.8%)
	2nd Half	838.6	1,005.0	+166.5 (+19.8%)
	Total	1,592.3	1,840.0	+247.7 (+15.6%)
Operating Income	1st Half	36.7	45.0	+8.3 (+22.6%)
	2nd Half	46.7	75.0	+28.3 (+60.4%)
	Total	83.4	120.0	+36.6 (+43.8%)
Ordinary Income	1st Half	38.0	45.0	+7.0 (+18.3%)
	2nd Half	50.2	75.0	+24.8 (+49.4%)
	Total	88.2	120.0	+31.8 (+36.0%)
Net Income	1st Half	20.0	20.0	-0.0 (-0.0%)
	2nd Half	28.5	45.0	+16.5 (+58.1%)
	Total	48.5	65.0	+16.5 (+34.1%)

Net Income per Share	1st Half	12.3 yen	12.3 yen
	2nd Half	17.5 yen	27.6 yen
	Total	29.8 yen	39.9 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

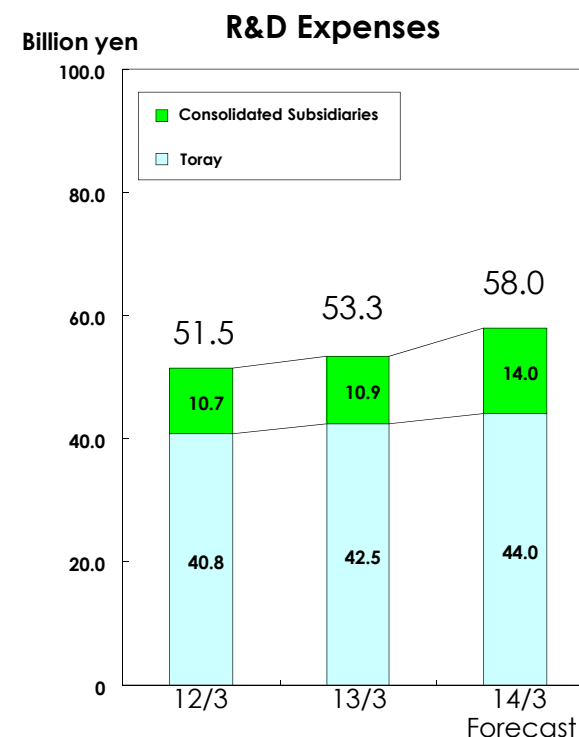
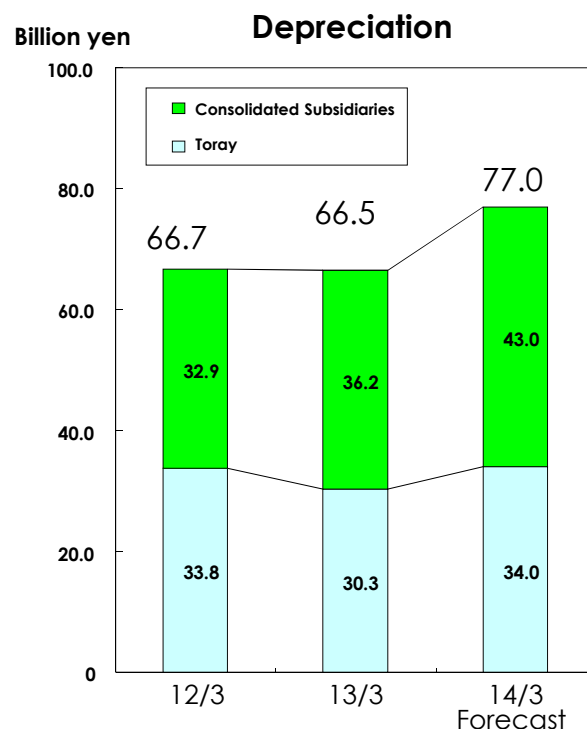
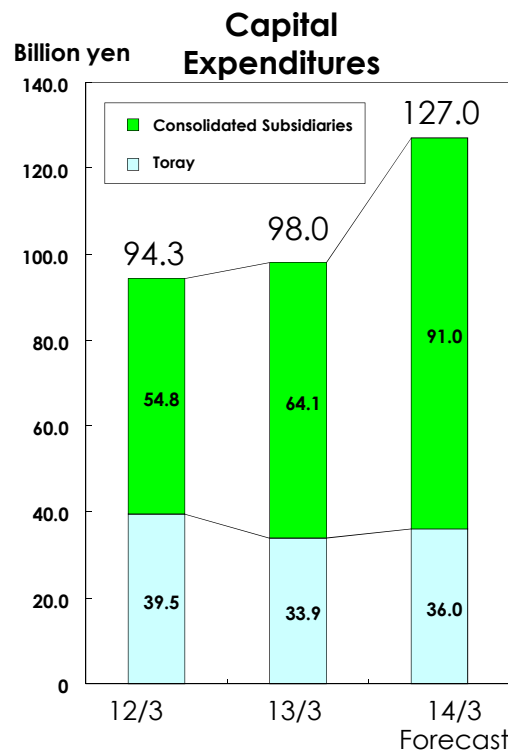
Remarks :
Estimated exchange rate : 95 yen / US\$
Estimated oil price : 110 US\$/ B (DUBAI FOB)

Forecast by Segment

Billion yen

		FY Mar/13 Actual			FY Mar/14 Forecast			Changes		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Net Sales	Fibers & Textiles	288.9	343.3	632.2	330.0	410.0	740.0	+41.1	+66.7	+107.9
	Plastics & Chemicals	195.0	200.9	395.8	220.0	240.0	460.0	+25.0	+39.1	+64.2
	IT-related Products	121.1	116.5	237.6	130.0	140.0	270.0	+8.9	+23.5	+32.4
	Carbon Fiber Composite Materials	36.5	41.1	77.6	45.0	55.0	100.0	+8.5	+13.9	+22.4
	Environment & Engineering	78.1	100.2	178.4	75.0	115.0	190.0	-3.1	+14.8	+11.6
	Life Science	27.0	29.6	56.6	28.0	37.0	65.0	+1.0	+7.4	+8.4
	Others	7.1	7.0	14.1	7.0	8.0	15.0	-0.1	+1.0	+0.9
	Consolidated	753.7	838.6	1,592.3	835.0	1,005.0	1,840.0	+81.3	+166.5	+247.7
Operating Income	Fibers & Textiles	18.5	24.7	43.2	22.0	31.0	53.0	+3.5	+6.3	+9.8
	Plastics & Chemicals	10.5	7.8	18.3	11.0	13.0	24.0	+0.5	+5.2	+5.7
	IT-related Products	9.6	13.3	23.0	13.0	22.0	35.0	+3.4	+8.7	+12.0
	Carbon Fiber Composite Materials	4.2	3.1	7.3	5.0	7.0	12.0	+0.8	+3.9	+4.7
	Environment & Engineering	▲ 0.0	2.7	2.6	0.0	6.0	6.0	+0.0	+3.3	+3.4
	Life Science	3.0	4.5	7.5	3.0	5.0	8.0	-0.0	+0.5	+0.5
	Others	0.7	0.9	1.6	1.0	1.0	2.0	+0.4	+0.1	+0.4
	Adjustment	▲ 9.8	▲ 10.2	▲ 20.0	▲ 10.0	▲ 10.0	▲ 20.0	-0.2	+0.2	-0.0
Consolidated	36.7	46.7	83.4	45.0	75.0	120.0	+8.3	+28.3	+36.6	

Trends in Capital Expenditures, Depreciation and R&D Expenses



Major Capital Expenditure Projects in FY Mar/13

<Toray> PPS (polyphenylene sulfide) resin production facilities

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

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

Major Capital Expenditure Projects in FY Mar/14

<Toray, TAK (Toray Advanced Materials Korea Inc.)

CFA (Toray Carbon Fibers America Inc.),

CFE (Toray Carbon Fibers Europe S.A.)

} Enhancement of global carbon fiber production capacity

III. Progress of “Project AP-G 2013”

Key Principle and Basic Strategies of “Project AP-G 2013”

Key Principle

Expand businesses in growth business fields and regions

Establish a robust business footing by cost reductions

Basic Strategies

1. Business expansion in growth business fields

2. Business expansion in growth countries and regions

3. Capital investment strategy

4. M&A and business alliance strategies

5. R&D investment strategy

6. Developing and securing human resources

7. Bolstering competitiveness

8. Ongoing promotion of business structure reform

Progress of Group-wide Projects under “Project AP-G 2013”

Three themes in AP-G 2013 that would work more effectively when practiced on a group basis are implemented as a group-wide project.

Green Innovation Business Expansion (GR) Project

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

Asia and Emerging Country Business Expansion (AE) Project

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

Total Cost Reduction (TC-II) Project

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

Green Innovation Businesses Expansion (GR) Project **TORAY** Innovation by Chemistry

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

<Topics>

<Carbon Fiber Composite Materials>

- Purchased the entire stake in Dome Carbon Magic Ltd. and also acquired a 75% stake in its manufacturing subsidiary in Thailand, Dome Composites (Thailand) Co., Ltd., and made them the group's subsidiaries.



<Water Treatment Membranes>

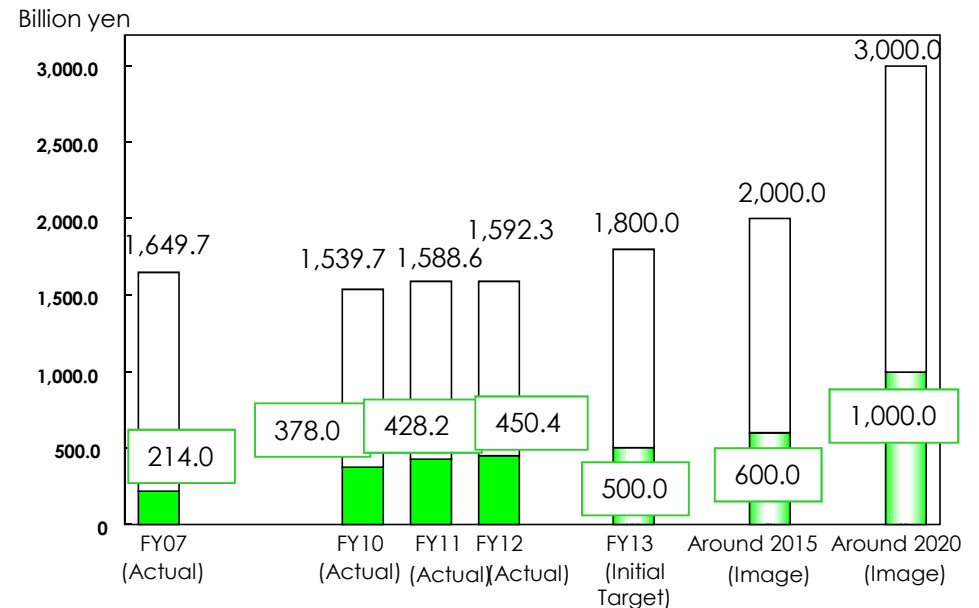
- Received orders to supply reverse osmosis membrane elements to the seawater desalination plants in Al Zawra (Emirate of Ajman) and Ghalilah (Emirate of Ra's al Khaymah) in the United Arab Emirates (UAE).

<Printing Plate Materials>

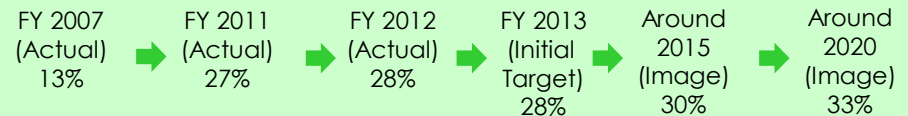
- Decided to newly construct a waterless printing plate manufacturing plant at Toray Textiles Central Europe s.r.o, a subsidiary in the Czech Republic.



Trends in Net Sales of Green Innovation Businesses



Net sales ratio of Green Innovation Businesses



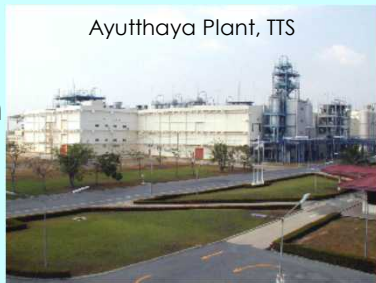
Asia and Emerging Country Business Expansion (AE) Project

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.

<Topics>

<ASEAN>

- Decided to increase the production capacity of Nylon 66 fiber used for automobile airbags in Thailand.
- Decided to establish a new plastic resin compound base in Indonesia.
- Enhanced the ability of the group's vapor deposition facilities for food packaging films in Malaysia and Thailand.



<Republic of Korea>

- Started operation of carbon fiber carbonization facility.

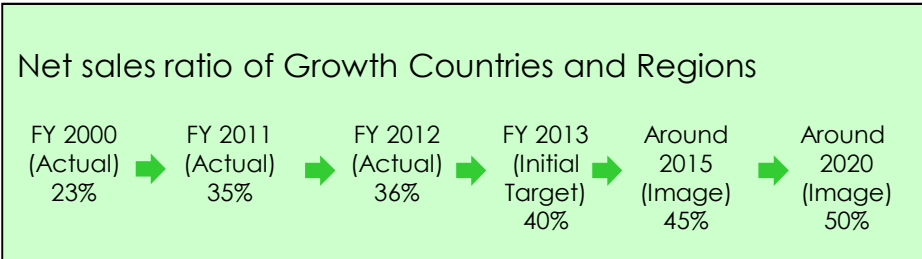
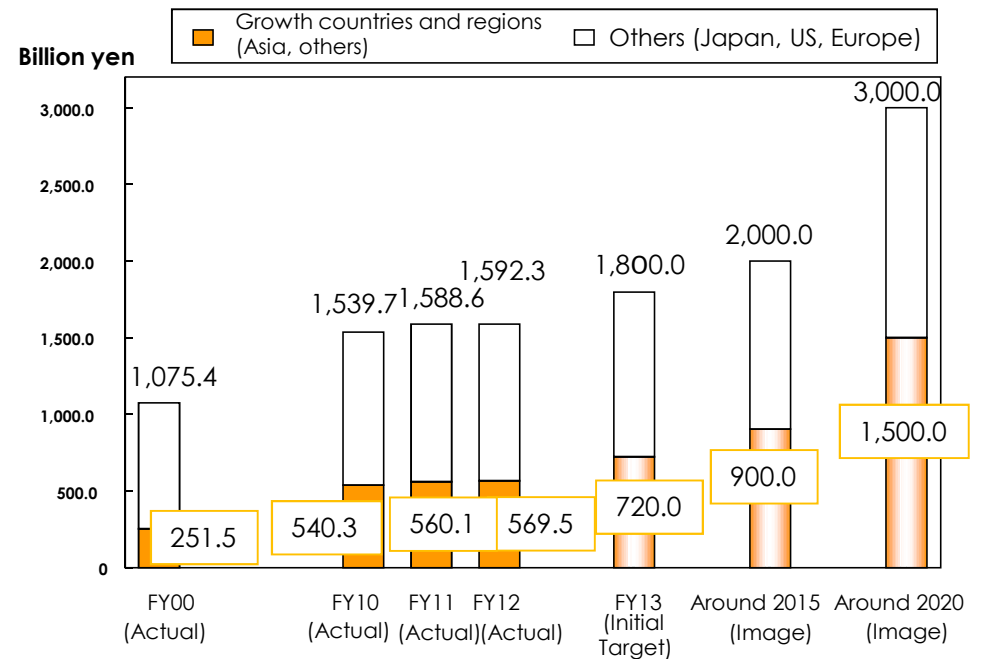
<China>

- Established a new plastic resin compound manufacturing company in Chengdu, the Chinese western province.

<Emerging Countries>

- Enhanced the operational base in Brazil.
- In the Republic of Turkey, Toray International, Inc. started operations of its representative office in Istanbul.

Trends in Net Sales in Growth Countries and Regions



Total Cost Reduction (TC-II) Project

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

Variable Cost Reduction

Implement "VCI-10 (Variable Cost Innovation 10%)" Project <Progress>

- ◆ Improvements in unit consumptions will be achieved by applying methods developed at certain Japanese plants to group companies in Japan and overseas
- ◆ Purchasing VA (Value Analysis) will be undertaken for cost reductions in accordance with business strategies
- ◆ The Purchasing & Logistics Division will provide support to individual purchasing VA activities and build a global procurement system

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

FY 2012 Actual: Reduced by 4.0% yr/yr to 24.6 billion yen

Category	Value
Target	10% over three years (more than 70 billion yen)
FY 2011	24.1 Billion yen
FY 2012	24.6 Billion yen

Fixed Cost Reduction

- ◆ Appropriately managed fixed costs at the business expansionary phase
- ◆ Introduced p-value accounting method to secure profit appropriate to incremental fixed costs
- ◆ Continued to improve operational effectiveness to keep fixed costs at proper levels in line with profit growth

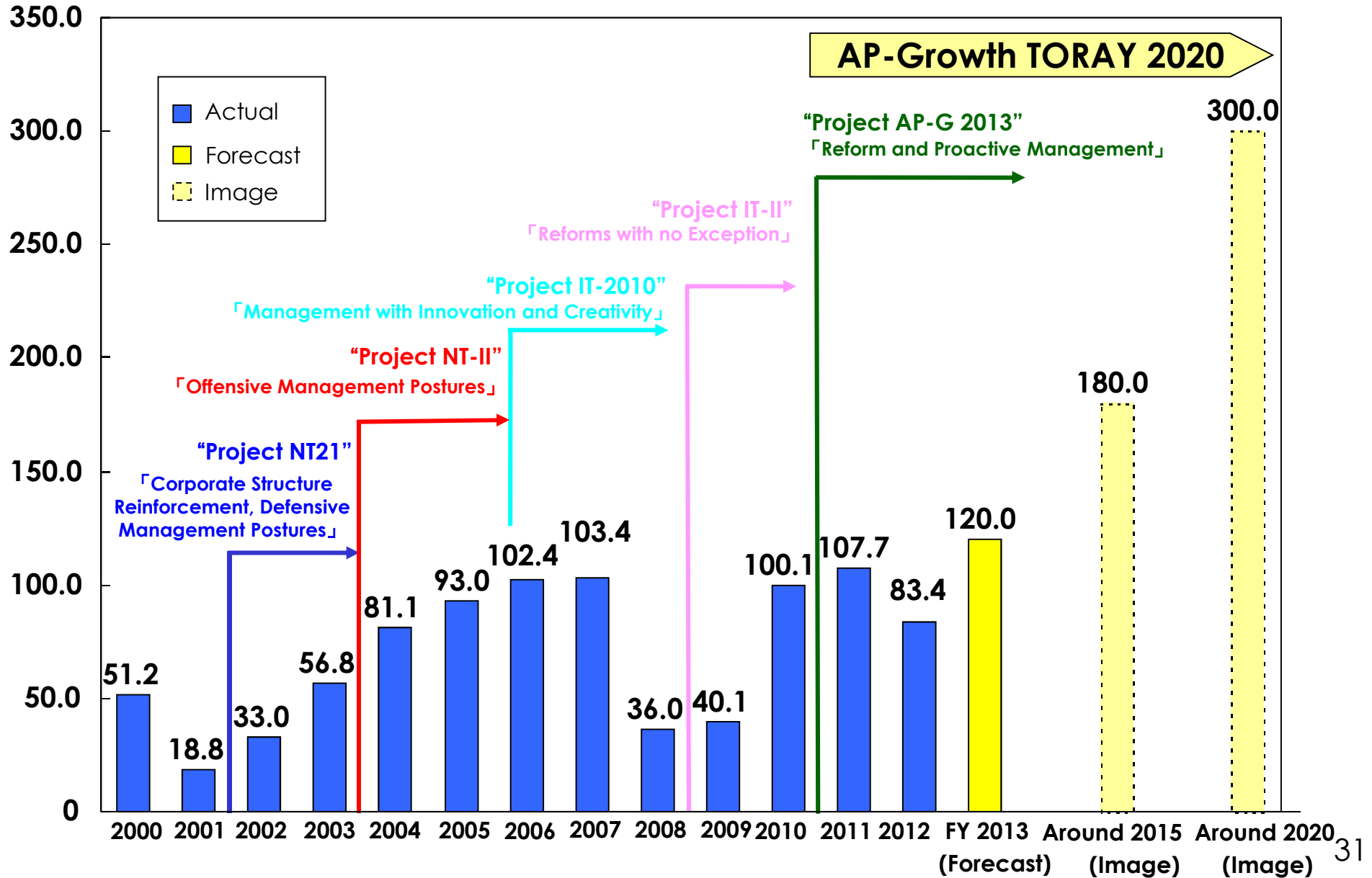
FY 2012 Actual: Reduced 17.3 billion yen of budget

P-value = 1.05

*: P (Performance)-value = fixed cost growth rate / marginal profit growth rate Divisional management, 1.0 or less or contrast with budget

Trends in Operating Income

(Billion yen)



Descriptions of predicted business results, projections, and business plans for the Fiscal Year ending March 2014 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.