



**Announcement of Business Results
For the Fiscal Year Ended March 2014 and
Business Forecast for the Fiscal Year
Ending March 2015
Toray Industries, Inc.
May 8, 2014**



I. Business Results for the Fiscal Year Ended March 2014 (Consolidated Basis)

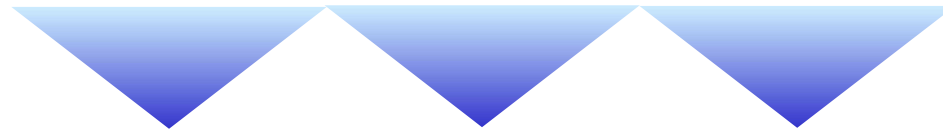
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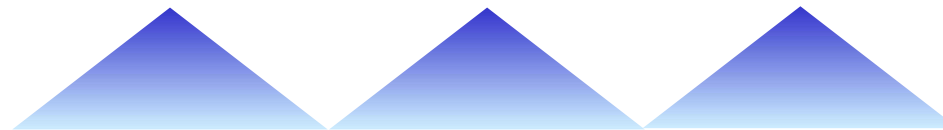
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I. Business Results for the Fiscal Year Ended March 2014 (Consolidated Basis)



Summary of Consolidated Business Results For the Fiscal Year Ended March 2014

Unit: Billion yen

	FY Mar/13			FY Mar/14			Changes
	1st Half	2nd Half	Total	1st Half	2nd Half	Total	
Net Sales	753.7	838.6	1,592.3	853.8	984.0	1,837.8	+245.5 (+15.4%)
Cost of Sales	604.8	675.8	1,280.6	688.6	796.5	1,485.2	+204.5 (+16.0%)
Gross Profit	148.9	162.7	311.6	165.1	187.5	352.6	+41.0 (+13.1%)
(Gross Profit to Net Sales)	19.8%	19.4%	19.6%	19.3%	19.1%	19.2%	- 0.4 points
Operating Income	36.7	46.7	83.4	44.3	61.0	105.3	+21.8 (+26.1%)
(Operating Income to Net Sales)	4.9%	5.6%	5.2%	5.2%	6.2%	5.7%	+0.5 points
Non-operating Income and Expenses, net	1.3	3.5	4.8	2.2	3.2	5.4	+0.6
Ordinary Income	38.0	50.2	88.2	46.5	64.1	110.6	+22.4 (+25.4%)
Special Credits and Charges, net	▲ 6.7	▲ 3.7	▲ 10.4	▲ 2.7	▲ 10.2	▲ 12.9	- 2.5
Income before Income Taxes	31.3	46.5	77.8	43.8	53.9	97.8	+19.9 (+25.6%)
Net Income	20.0	28.5	48.5	29.4	30.2	59.6	+11.1 (+23.0%)

Net Income per share	12.28 yen	17.47 yen	29.75 yen	18.03 yen	18.56 yen	36.59 yen
Dividend per share	5.00 yen	5.00 yen	10.00 yen	5.00 yen	5.00 yen	10.00 yen

Exchange Rate

<Yen/US\$>

FY Mar/13 → FY Mar/14

Average: 83.1 → 100.2

End of the term: 94.1 → 102.9

<Yen/Euro>

FY Mar/13 → FY Mar/14

Average: 107.1 → 134.4

End of the term: 120.7 → 141.7

Oil Price

<US\$/B> (DUBAI FOB)

FY Mar/13 → FY Mar/14

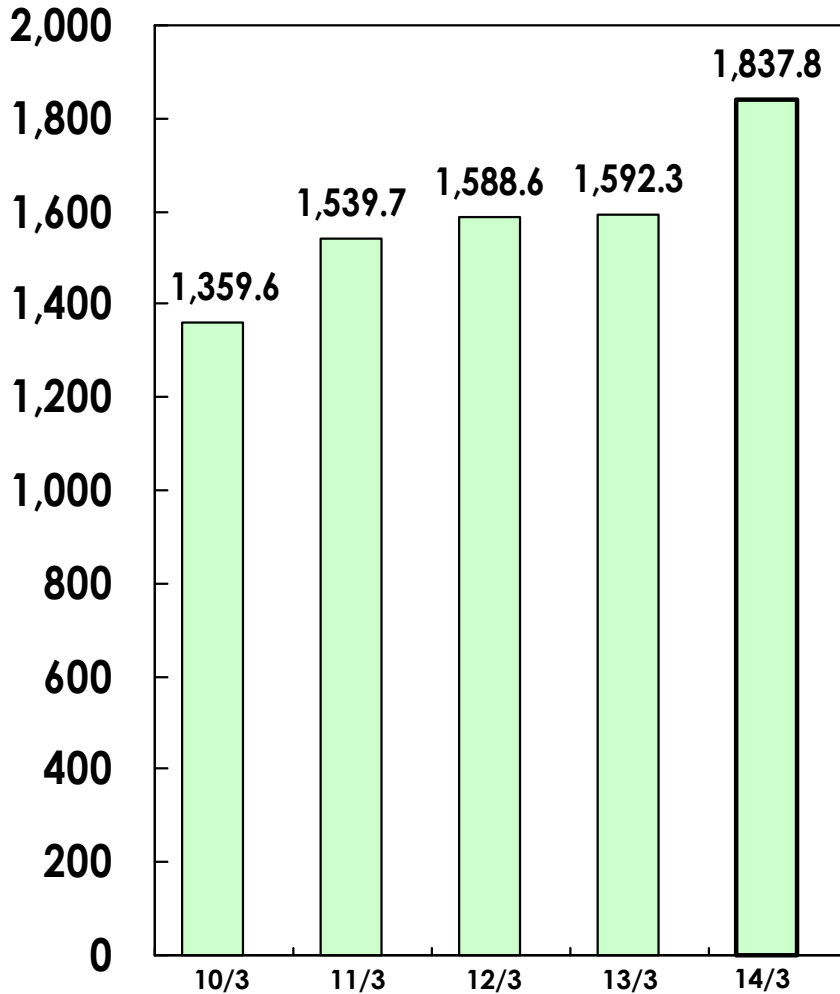
Average: 107.1 → 104.6

*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

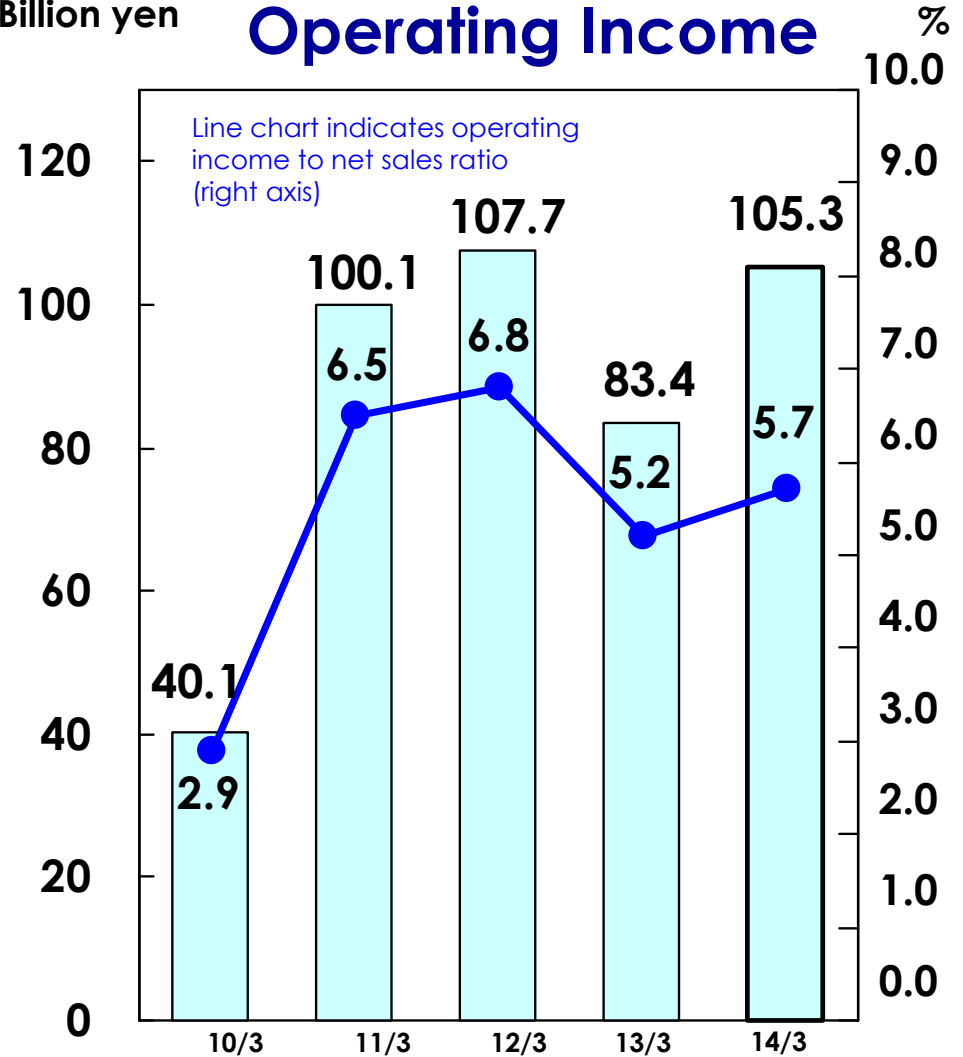
Billion yen

Net Sales



Billion yen

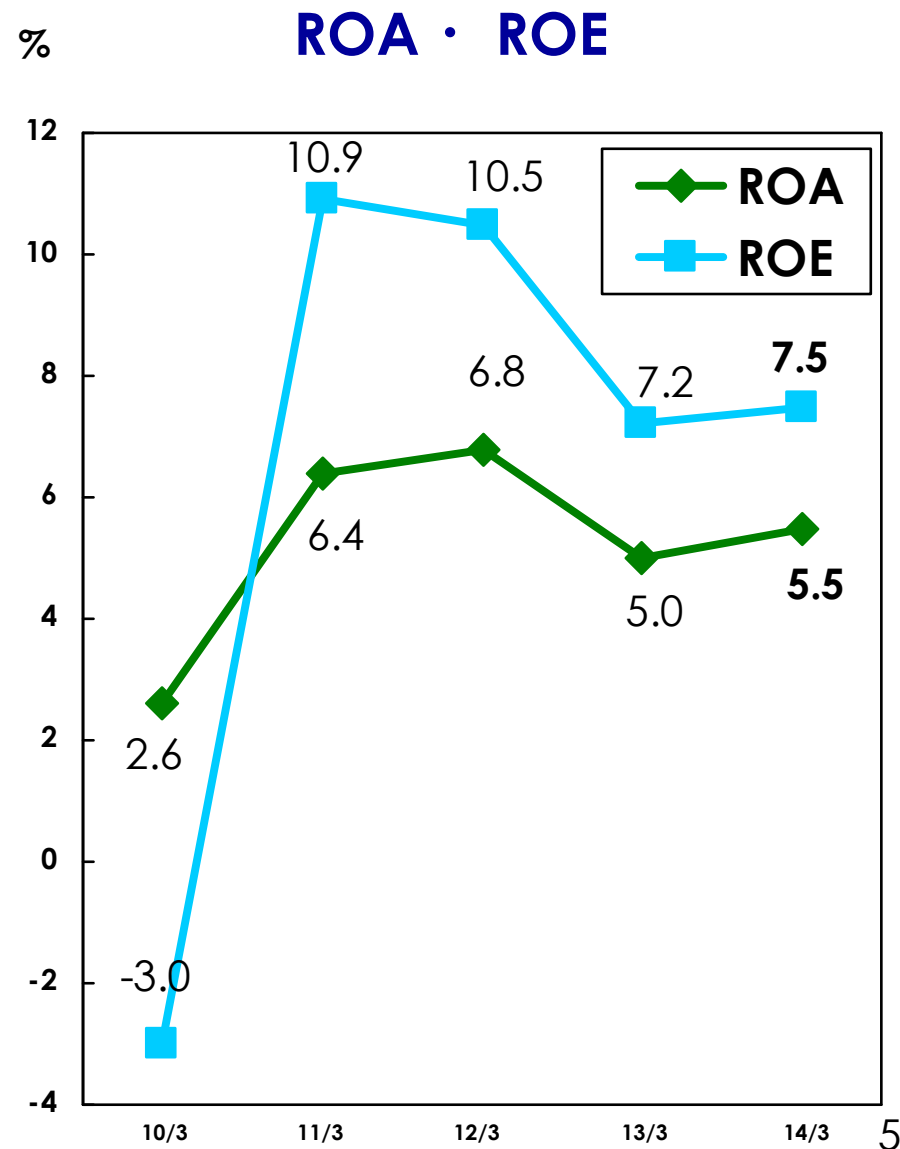
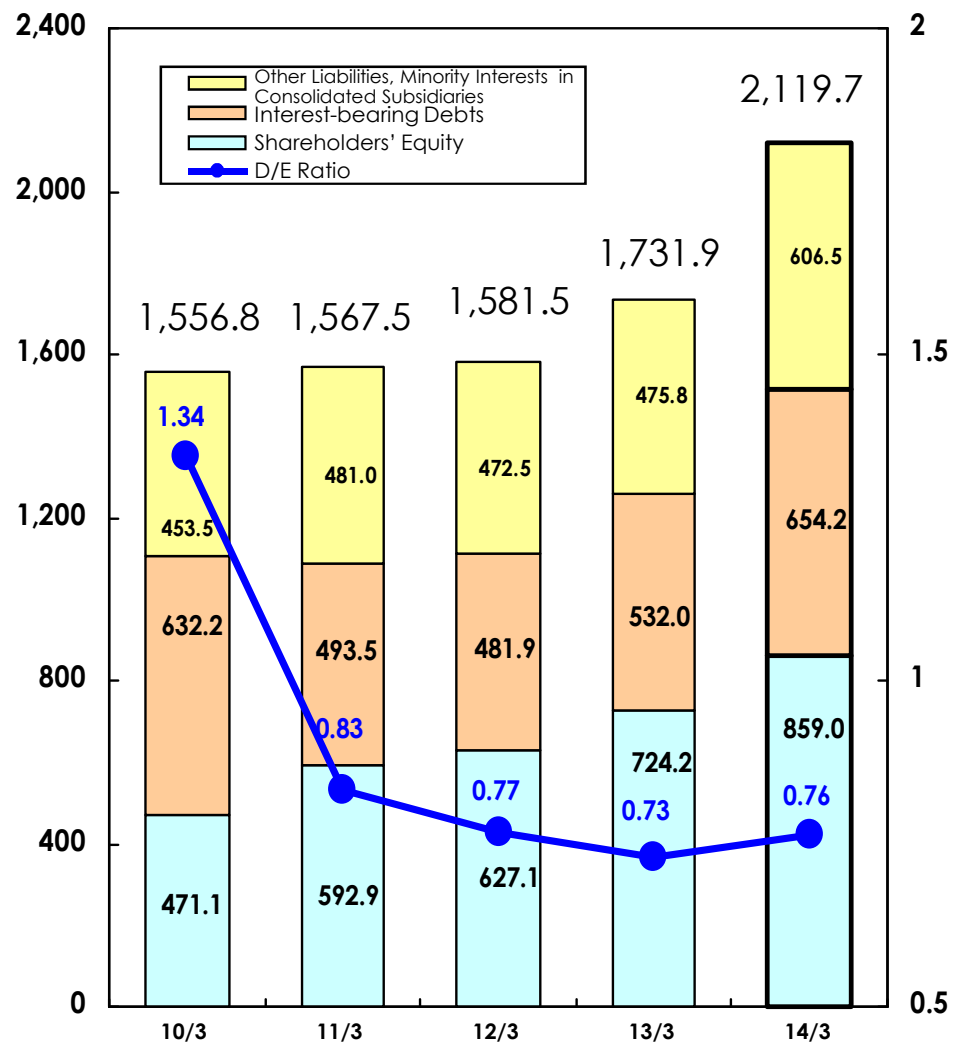
Operating Income



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 %



Non-operating Income and Expenses

Billion yen

	FY Mar/13	FY Mar/14	Changes
Non-operating Income	17.4	19.1	+1.7
Interest and Dividend Income	3.2	3.8	+0.5
Equity in Earnings of Affiliates	7.4	7.7	+0.3
Foreign Exchange Gains	1.7	2.5	+0.8
Others	5.0	5.1	+0.1
Non-operating Expenses	▲ 12.6	▲ 13.7	-1.1
Interest Expenses	▲ 5.5	▲ 4.9	+0.6
Costs related to Start-up of New Facilities	▲ 1.4	▲ 1.2	+0.2
Costs related to Idle Facilities	▲ 1.9	▲ 2.9	-1.1
Others	▲ 3.8	▲ 4.6	-0.8
Non-operating Income and Expenses, net	4.8	5.4	+0.6
Interest and Dividend Income, Interest Expenses, net	▲ 2.2	▲ 1.1	+1.1

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

Special Credits and Charges

Billion yen

	FY Mar/13	FY Mar/14	Changes
Special Credits	1.4	7.9	+6.6
Gain on Sales of Property, Plant and Equipment	1.0	0.7	-0.3
Gain on Sales of Investment Securities	0.1	0.4	+0.3
Insurance Income	0.3	6.8	+6.5
Others	0.0	0.0	+0.0
Special Charges	▲ 11.8	▲ 20.8	-9.0
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 5.4	▲ 5.9	-0.5
Loss on Impairment of Fixed Assets	▲ 2.0	▲ 14.4	-12.4
Loss on Disaster	▲ 1.7	-	+1.7
Loss on Write-down of Investment Securities	▲ 1.4	▲ 0.0	+1.3
Others	▲ 1.3	▲ 0.4	+0.9
Special Credits and Charges, net	▲ 10.4	▲ 12.9	-2.5

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

Assets, Liabilities, Net Assets and Free Cash Flows

Billion yen

	End of Mar/13	End of Mar/14	Changes
Total Assets	1,731.9	2,119.7	+387.8
Current Assets	796.7	920.4	+123.6
Property, Plant and Equipment	627.2	781.2	+154.0
Intangible Assets	42.6	100.1	+57.5
Investment and Other Assets	265.3	318.0	+52.7

	End of Mar/13	End of Mar/14	Changes
Total Liabilities	953.3	1,175.1	+221.8
Current Liabilities	550.3	596.6	+46.3
Other Liabilities	403.0	578.5	+175.4
Total Net Assets	778.6	944.6	+166.0

Billion yen

<Free Cash Flows>

	FY Mar/13	FY Mar/14	Changes
Cash Flows from Operating Activities	100.8	161.5	+60.6
Cash Flows from Investment Activities	▲ 107.5	▲ 214.8	-107.3
Free Cash Flows	▲ 6.7	▲ 53.4	-46.7

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

Innovation by Chemistry

Unit: Billion yen

		Net Sales				Operating Income			
		FY Mar/13	FY Mar/14	Changes	(%)	FY Mar/13	FY Mar/14	Changes	(%)
Fibers & Textiles	1st Half	288.9	335.1	+46.2	(+16.0%)	18.5	24.2	+5.6	(+30.4%)
	2nd Half	343.3	420.4	+77.1	(+22.5%)	24.7	28.7	+4.1	(+16.4%)
	Total	632.2	755.5	+123.3	(+19.5%)	43.2	52.9	+9.7	(+22.4%)
Plastics & Chemicals	1st Half	195.0	228.0	+33.0	(+16.9%)	10.5	9.0	-1.5	(-14.3%)
	2nd Half	200.9	242.5	+41.7	(+20.7%)	7.8	9.0	+1.2	(+15.6%)
	Total	395.8	470.5	+74.7	(+18.9%)	18.3	18.0	-0.3	(-1.6%)
IT-related Products	1st Half	121.1	122.0	+0.8	(+0.7%)	9.6	10.8	+1.2	(+12.3%)
	2nd Half	116.5	123.8	+7.3	(+6.3%)	13.3	13.8	+0.4	(+3.3%)
	Total	237.6	245.7	+8.1	(+3.4%)	23.0	24.6	+1.6	(+7.1%)
Carbon Fiber Composite Materials	1st Half	36.5	52.1	+15.5	(+42.5%)	4.2	7.1	+2.9	(+69.1%)
	2nd Half	41.1	61.3	+20.2	(+49.1%)	3.1	9.8	+6.7	(+216.5%)
	Total	77.6	113.3	+35.7	(+46.0%)	7.3	16.9	+9.6	(+131.9%)
Environment & Engineering	1st Half	78.1	83.1	+4.9	(+6.3%)	▲ 0.0	0.6	+0.7	(-)
	2nd Half	100.2	97.1	-3.1	(-3.1%)	2.7	5.8	+3.1	(+115.8%)
	Total	178.4	180.2	+1.8	(+1.0%)	2.6	6.4	+3.8	(+143.4%)
Life Science	1st Half	27.0	26.6	-0.4	(-1.4%)	3.0	1.9	-1.1	(-38.1%)
	2nd Half	29.6	31.6	+2.0	(+6.7%)	4.5	3.7	-0.7	(-15.8%)
	Total	56.6	58.2	+1.6	(+2.8%)	7.5	5.6	-1.9	(-24.8%)
Others	1st Half	7.1	6.9	-0.2	(-2.6%)	0.7	0.7	+0.0	(+7.1%)
	2nd Half	7.0	7.4	+0.3	(+4.8%)	0.9	1.3	+0.4	(+42.3%)
	Total	14.1	14.3	+0.2	(+1.1%)	1.6	2.0	+0.4	(+27.6%)
Adjustment	1st Half					▲ 9.8	▲ 10.0	-0.2	
	2nd Half					▲ 10.2	▲ 11.2	-1.0	
	Total					▲ 20.0	▲ 21.2	-1.2	
Consolidated	1st Half	753.7	853.8	+100.0	(+13.3%)	36.7	44.3	+7.6	(+20.7%)
	2nd Half	838.6	984.0	+145.5	(+17.3%)	46.7	61.0	+14.2	(+30.4%)
	Total	1,592.3	1,837.8	+245.5	(+15.4%)	83.4	105.3	+21.8	(+26.1%)

Business Results by Segment (Fibers & Textiles)

'TORAY'

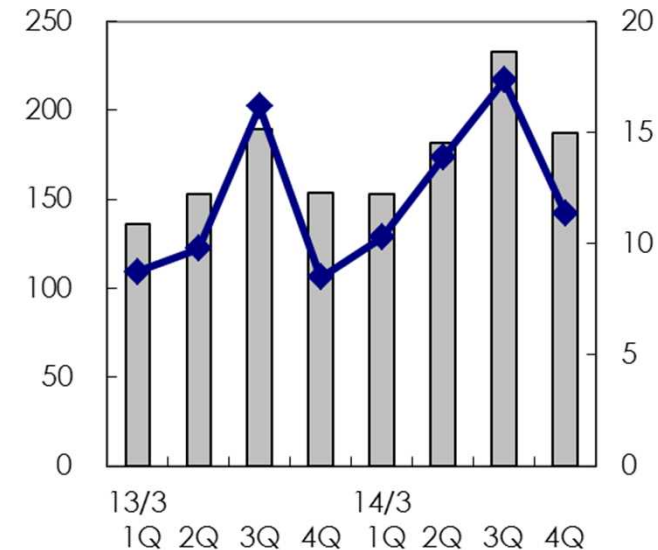
Innovation by Chemistry

Unit: Billion yen

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	98.2	108.1	+9.9	(+10.0%)
	Japanese Subsidiaries	326.1	372.2	+46.0	(+14.1%)
	Overseas Subsidiaries	207.8	275.2	+67.4	(+32.5%)
	Total	632.2	755.5	+123.3	(+19.5%)
Operating Income	Toray	12.6	13.8	+1.2	(+9.3%)
	Japanese Subsidiaries	10.9	13.0	+2.1	(+19.5%)
	Overseas Subsidiaries	18.8	27.2	+8.3	(+44.1%)
	Adjustment	0.9	▲ 1.0	-1.9	
	Total	43.2	52.9	+9.7	(+22.4%)

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



Japan : Sales of functional materials grew strongly, however, those of general apparel applications, though showing signs of recovery, remained weak. On the other hand, exports recovered partly due to the correction in the strong yen. Sales for industrial applications, led by automobile-related applications, continued on track to recovery.

Overseas : While the conditions continued to be tough with Europe remaining mired in economic slump and sluggish domestic demand in China, textile subsidiaries in Southeast Asia and China pursued sales expansion and a shift towards high value-added products. Also, while the floods in Thailand that occurred in October 2011 had affected the operations in the same period a year earlier, the production and sales recovered since then, contributing to the improved performance.

Business Results by Segment (Plastics & Chemicals)

TORAY

Innovation by Chemistry

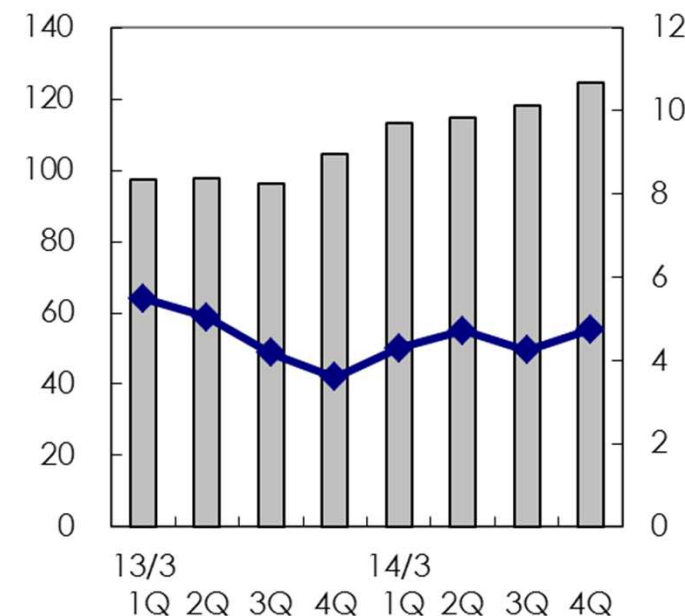
Unit: Billion yen

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	75.8	84.3	+8.5	(+11.2%)
	Japanese Subsidiaries	138.4	184.2	+45.8	(+33.1%)
	Overseas Subsidiaries	181.6	202.0	+20.4	(+11.2%)
	Total	395.8	470.5	+74.7	(+18.9%)
Operating Income	Toray	0.3	▲ 1.1	-1.5	(-)
	Japanese Subsidiaries	6.7	8.3	+1.6	(+24.5%)
	Overseas Subsidiaries	10.9	10.6	-0.3	(-3.1%)
	Adjustment	0.4	0.3	-0.1	
	Total	18.3	18.0	-0.3	(-1.6%)

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)



Resins Business: Sales for automotive applications in the resins business increased in Japan, however, those for electronics and general industrial applications remained weak. The business was also affected by the increase in raw material prices resulting from the correction in the strong yen. Overseas, automotive applications in North America, China and Southeast Asia led the sales expansion.

Films Business : Demand for the film business's products remained sluggish on the whole within and outside Japan, with continued price competition, even though domestic sales for capacitors used in hybrid cars remained strong. In Japan, the business was also affected by the increase in raw material prices resulting from the correction in the strong yen.

Meanwhile, trading subsidiaries expanded their business transactions on the back of market recovery and strong overseas business.

Business Results by Segment (IT-related Products)

TORAY

Innovation by Chemistry

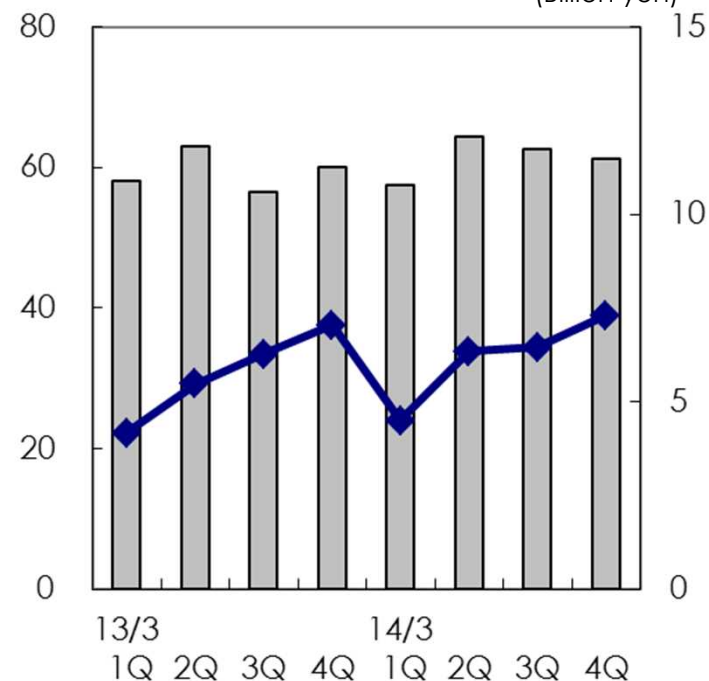
Unit: Billion yen

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	85.7	77.1	-8.6	(-10.0%)
	Japanese Subsidiaries	78.5	79.3	+0.8	(+1.0%)
	Overseas Subsidiaries	73.4	89.4	+16.0	(+21.7%)
	Total	237.6	245.7	+8.1	(+3.4%)
Operating Income	Toray	11.6	10.9	-0.7	(-5.9%)
	Japanese Subsidiaries	6.3	6.9	+0.6	(+9.7%)
	Overseas Subsidiaries	8.9	10.0	+1.1	(+12.2%)
	Adjustment	▲ 3.8	▲ 3.2	+0.6	
	Total	23.0	24.6	+1.6	(+7.1%)

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)



Sales of products for small and mid-sized displays such as smartphones and tablet terminals in general were strong, although they were partly affected by the production adjustment of end products in the second half. Sales of films and processed film products for large LCD panels, after performing strongly in the first half, were influenced by stagnating demand for flat-screen TV sets in the second half.

On the other hand, shipment of new products expanded steadily.

Details of the Sales of IT-related Products Segment

【Sales ratio by sub-segment】

Unit: Billion yen

	FY Mar/13		FY Mar/14		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	79.0	33%	85.5	35%	+8%
Electronic Components, Semiconductor, Electric Circuit Materials	96.6	41%	106.6	43%	+10%
Data Storage Materials	31.2	13%	30.9	13%	-1%
Equipment, others	30.7	13%	22.7	9%	-26%
Total of IT-related Products Segment	237.6		245.7		+3%

Display materials: Sales of films and processed film products were steady in the first half, however, had an impact of sluggish demand in the second half. PDP-related materials remained slow. Meanwhile, shipment of new products expanded steadily.

Electronic components, semiconductor, electric circuit materials: Sales of films and processed film products for electronic components performed steadily.

Data storage materials: Sales remained at the same level as the previous fiscal year.

Equipment, others: Shipment of LCD color filter production equipment and other IT-related equipment was sluggish.

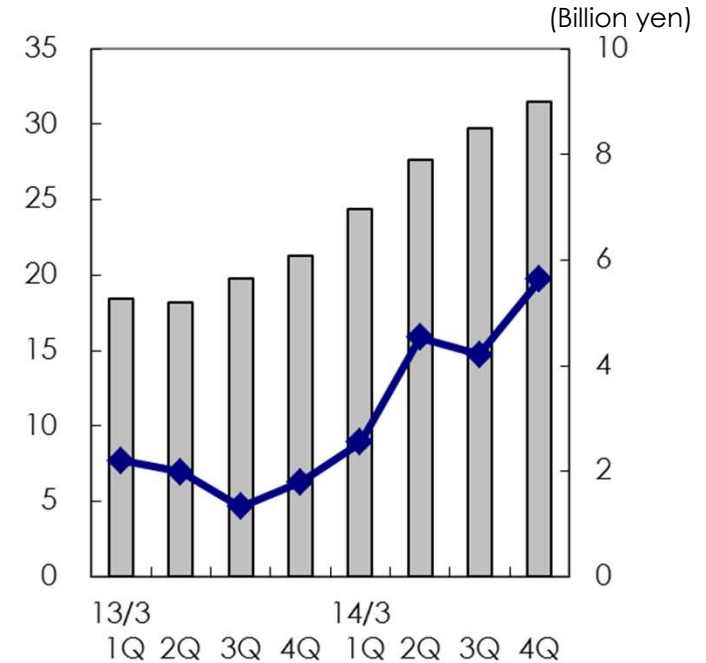
Business Results by Segment (Carbon Fiber Composite Materials)

Unit: Billion yen

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	64.5	84.9	+20.4	(+31.6%)
	Japanese Subsidiaries	44.4	53.8	+9.4	(+21.2%)
	Overseas Subsidiaries	61.9	93.6	+31.7	(+51.3%)
	Adjustment	▲ 93.2	▲ 119.0	-25.8	
	Total	77.6	113.3	+35.7	(+46.0%)
Operating Income	Toray	3.3	11.1	+7.8	(+235.4%)
	Japanese Subsidiaries	0.5	0.8	+0.3	(+52.2%)
	Overseas Subsidiaries	4.5	6.5	+2.0	(+45.2%)
	Adjustment	▲ 1.0	▲ 1.5	-0.4	
	Total	7.3	16.9	+9.6	(+131.9%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



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.

As demand for aircraft as well as that in the environment and energy fields including compressed natural gas tank applications expanded, sales of carbon fibers and intermediate products (prepreg) grew strongly for aerospace applications and general industrial applications. In the composite business, sales of carbon fiber reinforced plastic chassis for notebook PCs, which boast high strength and light weight, increased.

Details of the Sales of Carbon Fiber Composite Materials Segment

【Sales ratio by sub-segment】

Unit: Billion yen

	FY Mar/13		FY Mar/14		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	30.4	39%	57.2	50%	+88%
Sports	12.2	16%	14.2	13%	+16%
Industrial	35.0	45%	41.9	37%	+20%
Total of Carbon Fiber Composite Materials	77.6		113.3		+46%

Aerospace: In addition to the expanding demand of aircraft for existing models including Boeing 737, 777, Airbus A320, A380, etc. , shipment for Boeing 787 were healthy as a result of production expansion.

Sports: While demand for end products made a mild recovery, the company made progress in price correction mainly in general-purpose applications for the Asian market and pursued shift towards high value-added products.

Industrial: Sales of materials for compressed natural gas tank application and chassis for notebook PCs application was steady.

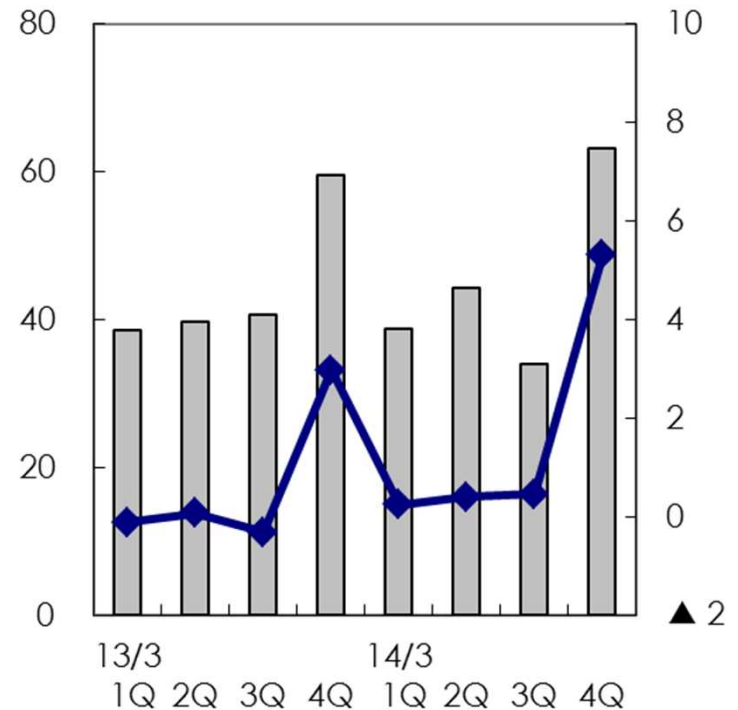
Business Results by Segment (Environment & Engineering)

Unit: Billion yen

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	8.5	10.8	+2.3	(+26.4%)
	Japanese Subsidiaries	164.8	161.7	-3.1	(-1.9%)
	Overseas Subsidiaries	5.0	7.7	+2.7	(+53.0%)
	Total	178.4	180.2	+1.8	(+1.0%)
Operating Income	Toray	▲ 2.5	0.8	+3.3	(-)
	Japanese Subsidiaries	5.0	4.8	-0.2	(-3.2%)
	Overseas Subsidiaries	0.0	0.3	+0.3	(+835.3%)
	Adjustment	0.1	0.5	+0.4	
	Total	2.6	6.4	+3.8	(+143.4%)

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



Water Treatment Business

: While the market for water treatment membranes has not yet fully recovered reflecting continued uncertainties over the global economic outlook, shipment of reverse osmosis membranes to the Middle East was strong at Toray. Other positive effects were from cost reduction efforts that the company has been working since the time when the Japanese yen was strong .

Japan

: Among domestic subsidiaries, the progress of plant construction projects remained slow at an engineering subsidiary.

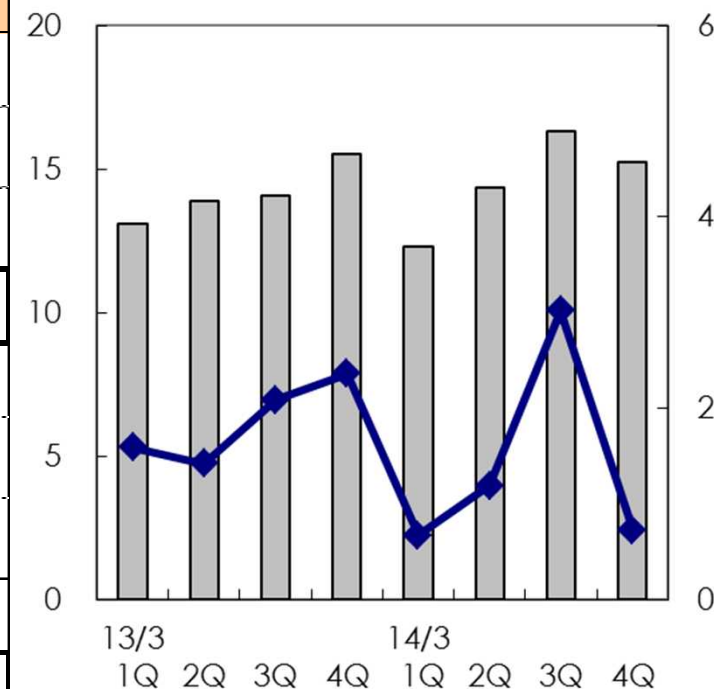
Business Results by Segment (Life Science)

Unit: Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)

		FY Mar/13	FY Mar/14	Changes	
Net Sales	Toray	16.6	16.2	-0.4	(-2.3%)
	Japanese Subsidiaries	38.9	37.8	-1.1	(-2.9%)
	Overseas Subsidiaries	1.1	4.2	+3.1	(+287.2%)
	Total	56.6	58.2	+1.6	(+2.8%)
Operating Income	Toray	5.8	4.4	-1.4	(-24.2%)
	Japanese Subsidiaries	1.9	1.5	-0.4	(-20.1%)
	Overseas Subsidiaries	▲ 0.4	▲ 0.2	+0.2	(-)
	Adjustment	0.2	▲ 0.1	-0.2	
	Total	7.5	5.6	-1.9	(-24.8%)

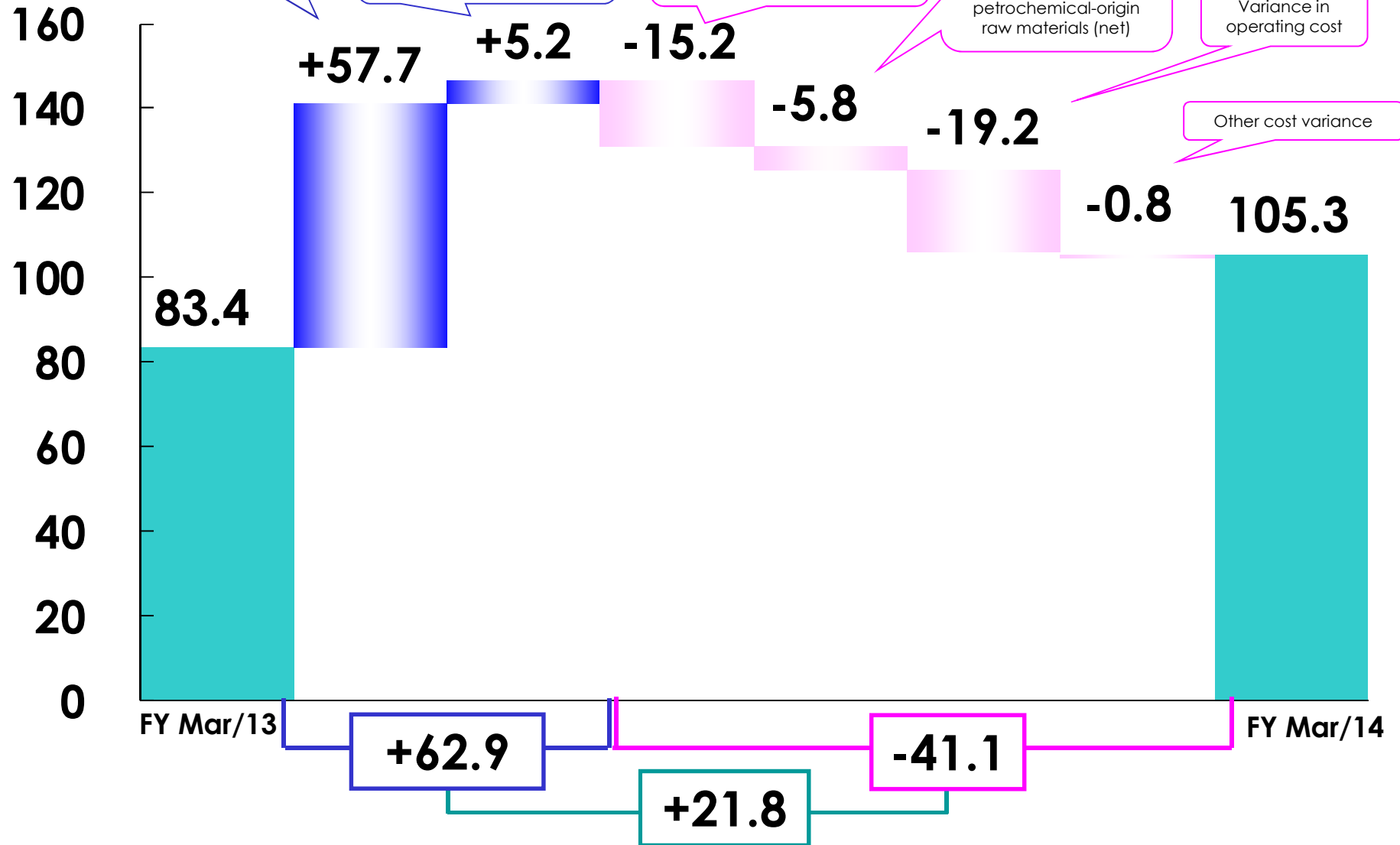


Sales of REMITCH®*, an oral anti-pruritus drug for hemodialysis patients, expanded robustly, though other pharmaceutical products were affected by intensifying competition and royalty income on some products decreased. In medical devices, sales in Japan as well as exports of FILTRYZER®, polymethylmethacrylate (PMMA) dialysis membrane-based hemodialyzer, and TORAYSULFONE®, polysulfone membrane artificial kidneys, grew strongly.

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

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 Subsidiaries

Billion yen

	Net Sales			Operating Income		
	FY Mar/13	FY Mar/14	Changes	FY Mar/13	FY Mar/14	Changes
Toray International Inc.	479.1	554.0	+74.8	10.1	11.9	+1.8
Toray Engineering Co., Ltd.	88.7	76.4	-12.3	2.0	1.3	-0.7
Toray Construction Co., Ltd.	57.3	62.7	+5.4	1.6	1.8	+0.3
Toray Advanced Film Co., Ltd.	46.0	44.1	-1.9	3.1	1.4	-1.7
Toray Medical Co., Ltd.	40.0	41.2	+1.2	1.9	1.5	-0.4
TAK (Republic of Korea)	94.5	115.3	+20.8	13.5	11.7	-1.8
TPM (Malaysia)	58.1	69.6	+11.5	1.9	2.7	+0.8

Subsidiaries in Southeast Asia *1	Fibers & Textiles	91.1	119.8	+28.7	1.7	5.0	+3.3
	Plastics & Chemicals	69.4	81.1	+11.8	4.1	3.5	-0.7
	Others	7.0	8.0	+1.0	0.3	0.4	+0.1
	Total	167.5	208.9	+41.4	6.1	8.8	+2.7

Subsidiaries in China *2	Fibers & Textiles	124.3	197.5	+73.2	11.6	16.5	+4.9
	Plastics & Chemicals	54.6	70.3	+15.7	0.5	1.7	+1.3
	Others	12.7	18.4	+5.7	▲0.6	0.2	+0.8
	Total	191.7	286.2	+94.5	11.4	18.4	+7.0

Films Subsidiaries (Overseas) *3	Plastics & Chemicals	79.4	96.3	+16.9	6.9	4.7	-2.2
	IT-related Products	50.9	63.7	+12.8	8.8	8.7	-0.1
	Total	130.3	159.9	+29.6	15.7	13.4	-2.2

*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, TPPH/TPPZ, 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/13	End of Mar/14	Changes
Toray	7,097	7,123	+26
Japanese Consolidated Subsidiaries	10,177	10,247	+70
Overseas Consolidated Subsidiaries	25,310	28,511	+3,201
Total	42,584	45,881	+3,297

Changes in Subsidiaries and Affiliates

Number of companies

		End of Mar/13	End of Mar/14	Changes
Consolidated Subsidiaries (a)	Japan	61	62	+1
	Overseas	86	97	+11
	Total	147	159	+12
Subsidiaries accounted for by Equity Method (b)	Japan	27	27	±0
	Overseas	24	29	+5
	Total	51	56	+5
Total Subsidiaries (a) + (b)	Japan	88	89	+1
	Overseas	110	126	+16
	Total	198	215	+17
Affiliates accounted for by Equity Method (c)	Japan	12	13	+1
	Overseas	26	25	-1
	Total	38	38	±0
Companies subject to Consolidation (a) + (b) + (c)	Japan	100	102	+2
	Overseas	136	151	+15
	Total	236	253	+17



II. Business Forecast for the Fiscal Year Ending March 2015 (Consolidated Basis)



Forecast Summary

Billion yen

		FY Mar/14 Actual	FY Mar/15 Forecast	Changes	
Net Sales	1st Half	853.8	1,000.0	+146.2	(+17.1%)
	2nd Half	984.0	1,150.0	+166.0	(+16.9%)
	Total	1,837.8	2,150.0	+312.2	(+17.0%)
Operating Income	1st Half	44.3	50.0	+5.7	(+12.9%)
	2nd Half	61.0	80.0	+19.0	(+31.2%)
	Total	105.3	130.0	+24.7	(+23.5%)
Ordinary Income	1st Half	46.5	47.0	+0.5	(+1.0%)
	2nd Half	64.1	78.0	+13.9	(+21.6%)
	Total	110.6	125.0	+14.4	(+13.0%)
Net Income	1st Half	29.4	25.0	-4.4	(-14.9%)
	2nd Half	30.2	45.0	+14.8	(+48.8%)
	Total	59.6	70.0	+10.4	(+17.4%)

Net Income per Share	1st Half	18.03 yen	15.35 yen
	2nd Half	18.56 yen	27.62 yen
	Total	36.59 yen	42.97 yen
Dividend per Share	1st Half	5.00 yen	5.00 yen
	2nd Half	5.00 yen	5.00 yen
	Total	10.00 yen	10.00 yen

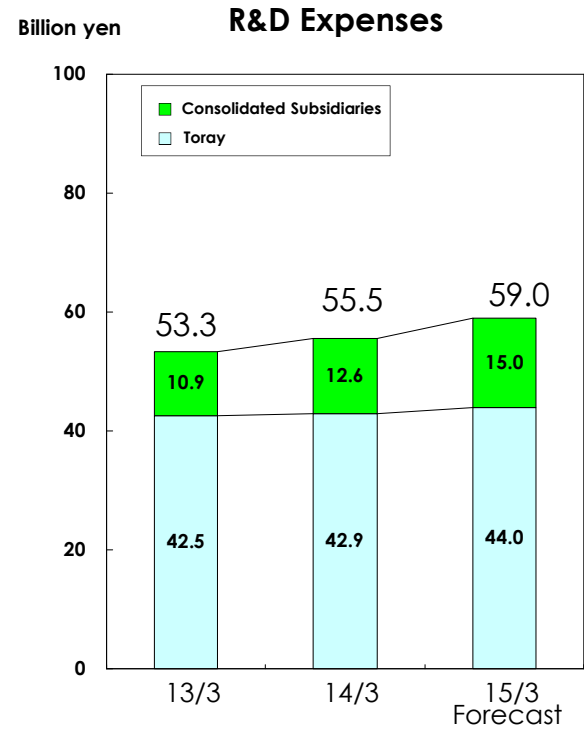
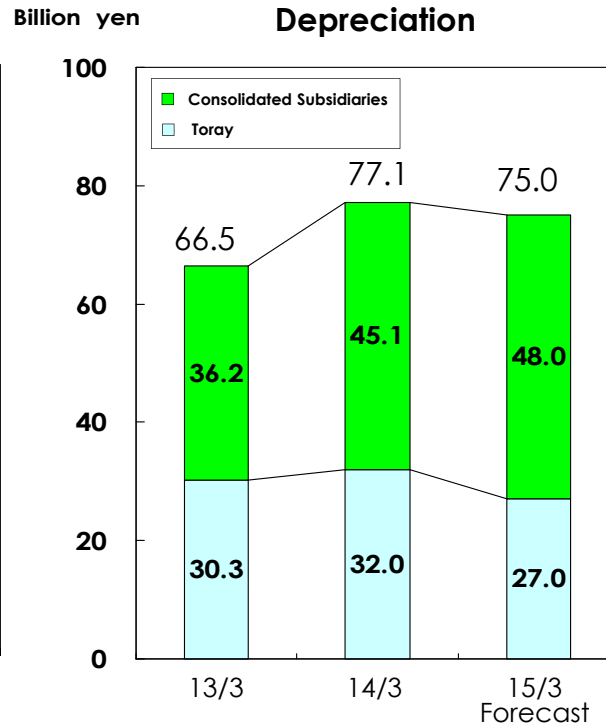
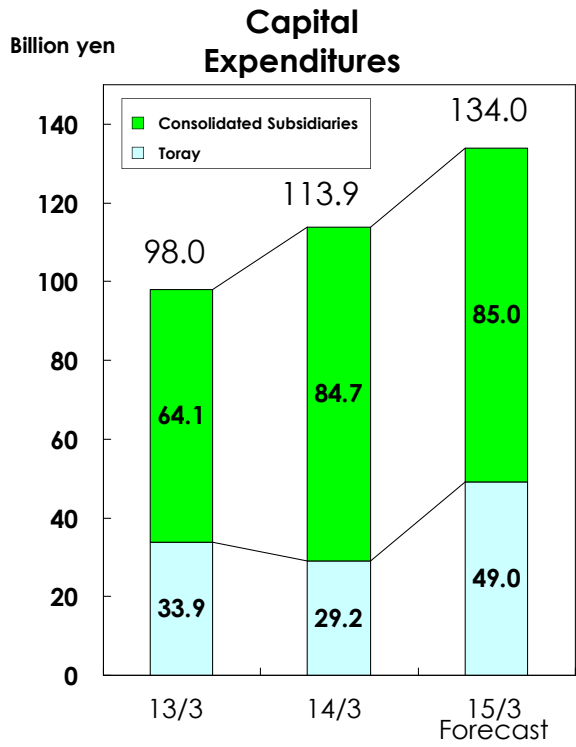
Remarks :
Estimated exchange rate : 100 yen / US\$
Estimated oil price : 110 US\$/ B (DUBAI FOB)

Forecast by Segment

Billion yen

		FY Mar/14 Actual			FY Mar/15 Forecast			Changes		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Net Sales	Fibers & Textiles	335.1	420.4	755.5	390.0	480.0	870.0	+54.9	+59.6	+114.5
	Plastics & Chemicals	228.0	242.5	470.5	270.0	280.0	550.0	+42.0	+37.5	+79.5
	IT-related Products	122.0	123.8	245.7	130.0	150.0	280.0	+8.0	+26.2	+34.3
	Carbon Fiber Composite Materials	52.1	61.3	113.3	70.0	80.0	150.0	+17.9	+18.7	+36.7
	Environment & Engineering	83.1	97.1	180.2	100.0	120.0	220.0	+16.9	+22.9	+39.8
	Life Science	26.6	31.6	58.2	32.0	33.0	65.0	+5.4	+1.4	+6.8
	Others	6.9	7.4	14.3	8.0	7.0	15.0	+1.1	-0.4	+0.7
	Consolidated	853.8	984.0	1,837.8	1,000.0	1,150.0	2,150.0	+146.2	+166.0	+312.2
Operating Income	Fibers & Textiles	24.2	28.7	52.9	24.0	32.0	56.0	-0.2	+3.3	+3.1
	Plastics & Chemicals	9.0	9.0	18.0	11.0	13.0	24.0	+2.0	+4.0	+6.0
	IT-related Products	10.8	13.8	24.6	12.0	19.0	31.0	+1.2	+5.3	+6.4
	Carbon Fiber Composite Materials	7.1	9.8	16.9	9.0	13.0	22.0	+1.9	+3.2	+5.1
	Environment & Engineering	0.6	5.8	6.4	0.5	8.0	8.5	-0.1	+2.2	+2.1
	Life Science	1.9	3.7	5.6	3.0	4.5	7.5	+1.1	+0.8	+1.9
	Others	0.7	1.3	2.0	1.0	1.0	2.0	+0.3	-0.3	+0.0
	Adjustment	▲ 10.0	▲ 11.2	▲ 21.2	▲ 10.5	▲ 10.5	▲ 21.0	-0.5	+0.7	+0.2
Consolidated	44.3	61.0	105.3	50.0	80.0	130.0	+5.7	+19.0	+24.7	

Trends in Capital Expenditures, Depreciation and R&D Expenses



Major Capital Expenditure Projects

FY March 2014

Toray, TAK (Toray Advanced Materials Korea Inc.),
CFA (Toray Carbon Fibers America, Inc.),
CFE (Toray Carbon Fibers Europe S.A.)

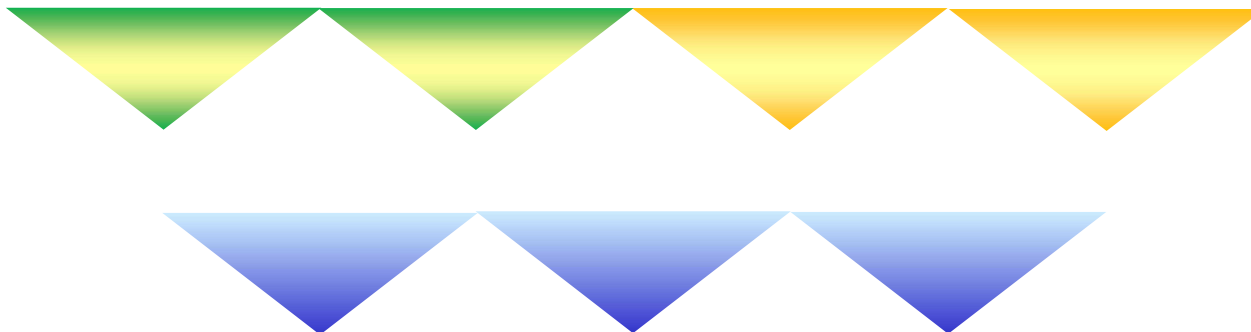
} Carbon fiber production facilities

FY March 2015

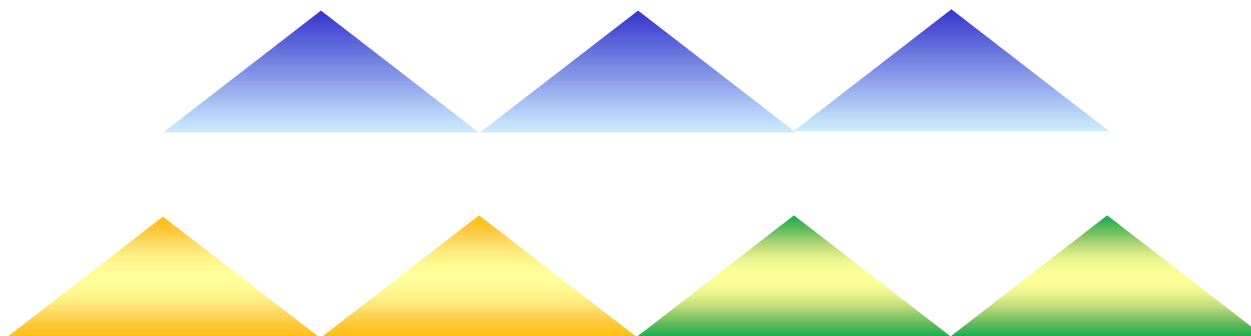
Toray : Carbon fiber production facilities

TAK (Toray Advanced Materials Korea Inc.): PPS (polyphenylenesulfide) resin production facilities

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



III. Major Results of “Project AP-G 2013” and Outline of “Project AP-G 2016”



Green Innovation Businesses Expansion (GR) Project

<Topics>

<Carbon Fiber Composite Materials>

- Decided to strengthen global production capacity in Japan, US, France and the Republic of Korea. (Carbon fiber: Mar. 2012, Prepreg: Japan; June, 2013, US; Jan. 2014)
- Established or invested in automobile parts manufacturing companies in Japan, Asia, US and Europe. (Europe: Mar. 2011, Japan, Asia: Apr. 2013, US: July 2013)
- Completed the process of purchasing the entire stake in Zoltek Companies, Inc., a large tow carbon fiber manufacturer in the US. (Feb. 2014)



<Battery Materials>

- Made Toray Tonen Specialty Separator Godo Kaisha a wholly owned subsidiary and established Toray Battery Separator Film Godo Kaisha (currently a company limited.) (Jan. 2012)

<Water Treatment Membranes>

- Received orders to supply reverse osmosis membrane elements to large seawater desalination plants in Asia and the Middle Eastern nations.

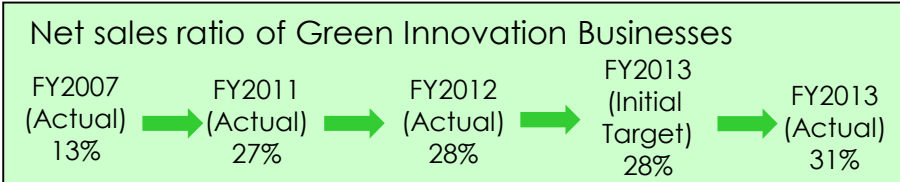
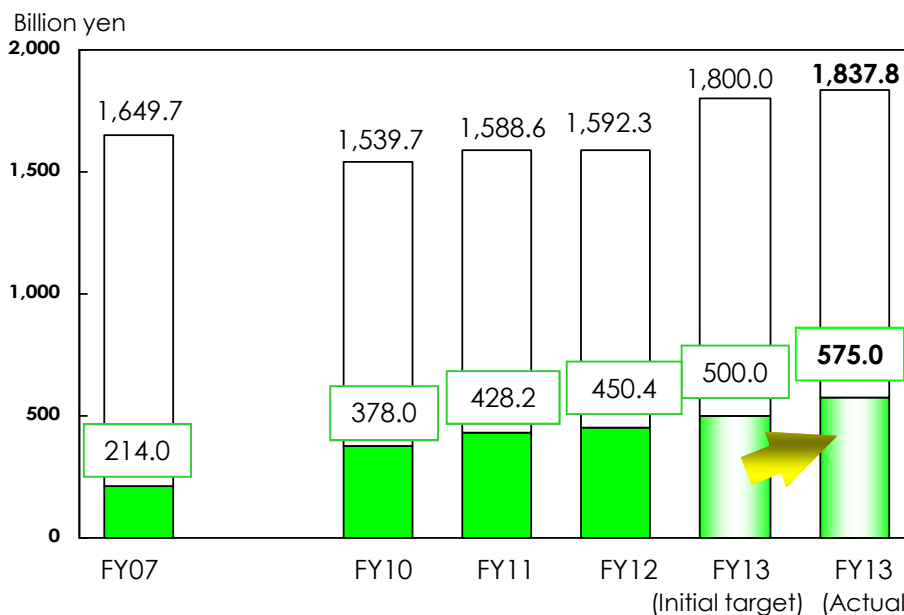
<Printing Plate Materials>

- Newly constructed a waterless printing plate manufacturing plant in the Czech Republic and started operation. (Nov. 2013)

<Biomass Materials>

- Succeeded in producing laboratory-scale samples of the world’s first fully renewable biobased polyester fiber. (Nov. 2011)

Trends in Net Sales of Green Innovation Businesses



Asia and Emerging Country Business Expansion (AE) Project

<Topics>

<China>

- Established a new company for the manufacture and sales of dialysis machines and artificial kidneys. (June 2011)
- Operation started at a new plant to manufacture dialysis machines. (Apr. 2012)
- Established a new plastic resin compound manufacturing company in Chengdu, China and started operation. (Aug. 2013)



<ASEAN>

- Increased the production capacity of Nylon 66 fiber used for automobile airbags in Thailand and started operation. (Aug. 2012)
- Decided to establish a new vapor deposition equipment for packaging films in Malaysia. (Apr. 2013)
- Started high-performance polypropylene filament spunbond business for sanitary materials in Indonesia. (June 2013)
- Established a new plastic resin compound manufacturing base in Indonesia and started operation. (Nov. 2013)



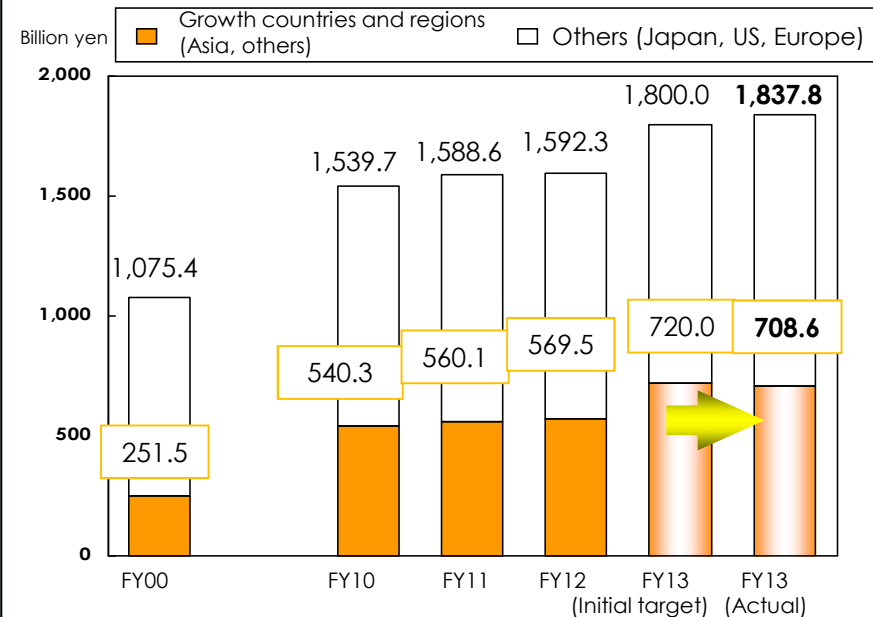
<Republic of Korea>

- Completed the process of purchasing a majority stake in Woongjin Chemicals Co., Ltd., a manufacturer of fibers and textiles and water treatment filters, etc. (Feb. 2014)

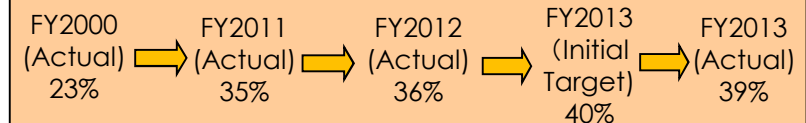
<Emerging Countries>

- Enhanced the operational and information-gathering base in India, Brazil and the Republic of Turkey.

Trends in Net Sales in Growth Countries and Regions



Net sales ratio of Growth Countries and Regions



Total Cost Reduction (TC-II) Project

Variable Cost Reduction

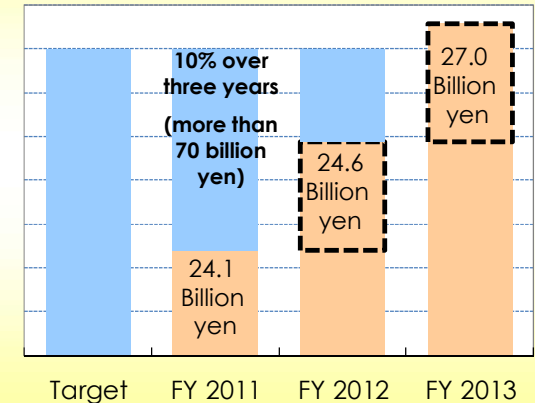
- ◆ Promote cost reduction in line with business strategies
- ◆ Further strengthen collaboration within the Group
- ◆ Strengthen global procurement system

Implement “Vci-10 (Variable cost innovation 10%)” Project

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

Reduced 11.4% or 75.7 billion yen in three years

<Results>



Fixed Cost Reduction

- ◆ Appropriately managed fixed costs at the business expansionary phase
- ◆ Introduced P-ratio 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

Reduced 46.3 billion yen of budget in three years
P-ratio = 1.0

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

Outline of "Project AP-G 2016"

Strive for business growth in areas that can leverage strengths of Toray Group

Devise strategies and action plans to make each businesses **the number-one worldwide**

Group-wide Projects

Green Innovation Business Expansion (GR) Project

Expand businesses that contribute to solve problems of the environment, resources and energy

Aim to expand Green Innovation Business to 700 billion yen in 2016

Life Innovation Business Expansion (LI) Project

Expand businesses that contribute to improve quality of healthcare, ease burden on medical institutions, and contribute to health and longevity

Aim to expand Life Innovation Business to 170 billion yen in 2016

Asia, America and Emerging Country Business Expansion (AE-II) Project

Pursue business expansion and develop new markets by strengthening network of Toray Group's global sites

Aim to expand net sales ratio of Asia, America and Emerging Country Business to 50%

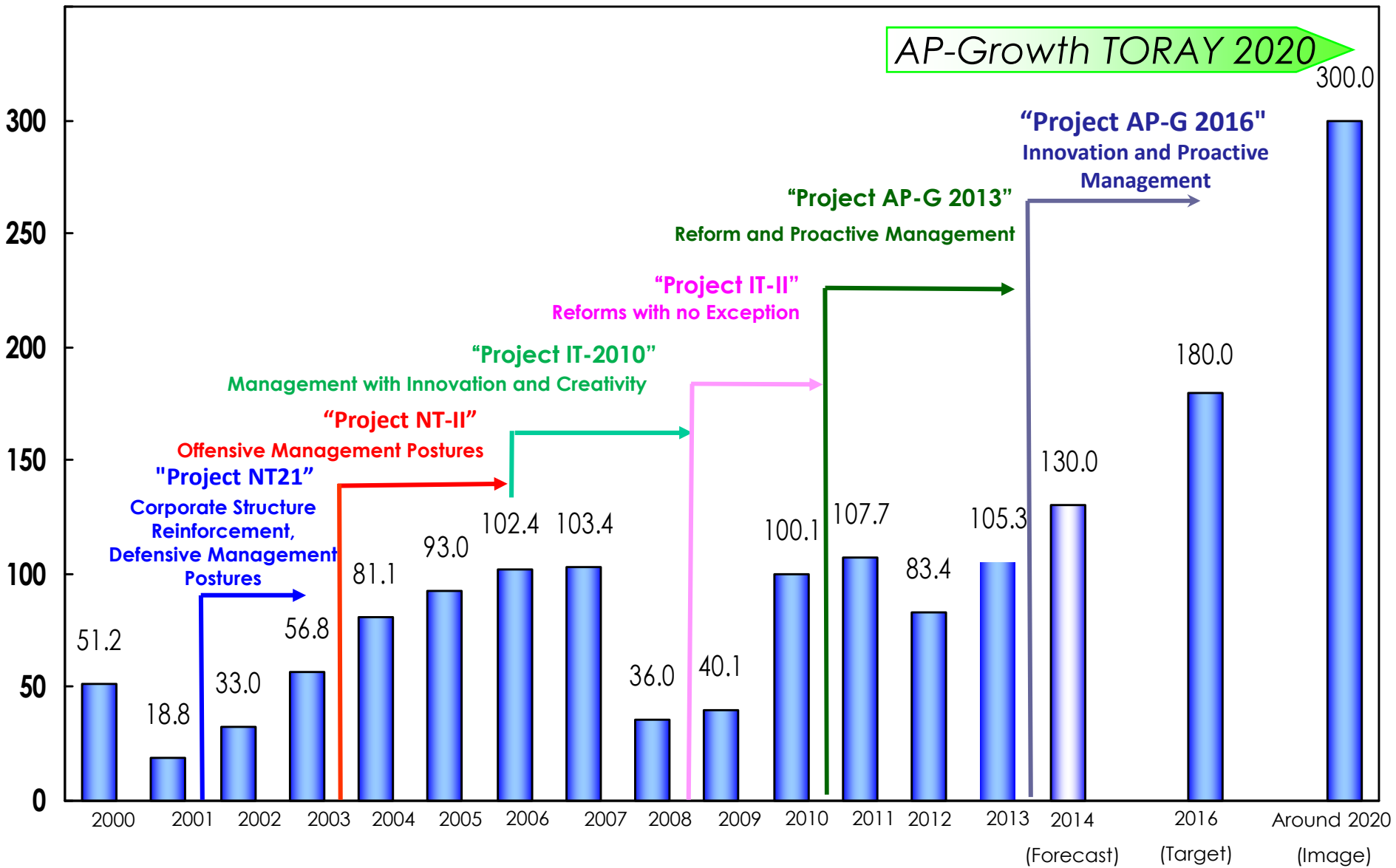
Total Cost Reduction (TC-III) Project

Continuing the Group's competitiveness to ensure its competitive edge targeting for the world's highest level of cost competitiveness

Aim for cost reduction by 200 billion yen in total in 2014 - 2016

Trends in Operating Income

Billion yen



Descriptions of predicted business results, projections, and business plans for the Fiscal Year ending March 2015 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.