

Announcement of Business Results For the 3Q and Nine Months Ended December 31, 2015

**Toray Industries, Inc.
February 9, 2016**

Contents

I. Business Results for the 3Q and Nine Months Ended December 31, 2015 (Consolidated Basis)	
Summary of Consolidated Business Results for the 3Q and Nine Months Ended December 31, 2015	(P3)
Non-operating Income and Expenses	(P4)
Special Credits and Charges	(P5)
Assets, Liabilities, Net Assets	(P6)
Capital Expenditures, Depreciation, R&D Expenses	(P7)
Net Sales and Operating Income by Segment	(P8)
Business Results by Segment	(P9-16)
Income Variance Factor Analysis (Nine Months)	(P17)
Results of Major Subsidiaries (Nine Months)	(P18)
II. Business Forecast for the Fiscal Year Ending March 2016 (Consolidated Basis)	
Forecast Summary	(P20)
Forecast by Segment	(P21)

I. **Business Results for the 3Q and Nine Months Ended December 31, 2015**

Summary of Consolidated Business Results for the 3Q and Nine Months Ended Dec. 31, 2015

Billion yen

	FY Mar/15 3Q (Oct.-Dec.)	FY Mar/16 3Q (Oct.-Dec.)	Changes		FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes	
Net Sales	539.0	551.7	+12.7	(+2.4%)	1,487.0	1,580.3	+93.3	(+6.3%)
Cost of Sales	435.4	438.1	+2.6	(+0.6%)	1,197.7	1,249.3	+51.5	(+4.3%)
Gross Profit	103.6	113.6	+10.1	(+9.7%)	289.2	331.0	+41.8	(+14.4%)
(Gross Profit to Net Sales)	19.2%	20.6%	+1.4	points	19.5%	20.9%	+1.5	points
Operating Income	35.2	43.0	+7.8	(+22.3%)	86.5	118.1	+31.6	(+36.6%)
(Operating Income to Net Sales)	6.5%	7.8%	+1.3	points	5.8%	7.5%	+1.7	points
Non-operating Income and Expenses, net	0.4	▲ 0.7	- 1.1		5.6	▲ 0.4	- 5.9	
Ordinary Income	35.6	42.3	+6.7	(+18.8%)	92.1	117.7	+25.7	(+27.9%)
Special Credits and Charges, net	▲ 1.0	0.0	+1.0		▲ 3.1	▲ 2.8	+0.3	
Income before Income Taxes	34.6	42.3	+7.7	(+22.2%)	89.0	114.9	+26.0	(+29.2%)
Net Income Attributable to Owners of Parent	21.3	26.7	+5.5	(+25.7%)	62.5	76.2	+13.6	(+21.8%)

	(FY Mar/15 3Q) → (FY Mar/16 3Q)	(FY Mar/15 9-months) → (FY Mar/16 9-months)
Exchange Rate <Yen/US\$> Average	: 114.5 → 121.5	106.9 → 121.7
End of the term	: 120.6 → 120.6	
<Yen/Euro> Average	: 143.1 → 132.9	140.3 → 134.4
End of the term	: 146.5 → 131.8	

Non-operating Income and Expenses

Billion yen

	FY Mar/15 3Q (Oct.-Dec)	FY Mar/16 3Q (Oct.-Dec.)	Changes	FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes
Non-operating Income	5.0	3.0	-2.0	17.4	12.3	-5.2
Interest and Dividend Income	1.3	1.6	+0.3	3.7	4.4	+0.6
Equity in Earnings of Affiliates	1.7	1.0	-0.8	10.1	4.3	-5.8
Others	2.0	0.4	-1.5	3.6	3.6	-0.0
Non-operating Expenses	▲ 4.6	▲ 3.7	+0.9	▲ 11.9	▲ 12.7	-0.8
Interest Expenses	▲ 1.3	▲ 1.3	+0.0	▲ 4.2	▲ 4.3	-0.1
Costs related to Idle Facilities	▲ 0.6	▲ 1.1	-0.5	▲ 1.8	▲ 3.1	-1.3
Others	▲ 2.7	▲ 1.3	+1.4	▲ 5.9	▲ 5.3	+0.6
Non-operating Income and Expenses, net	0.4	▲ 0.7	-1.1	5.6	▲ 0.4	-5.9
Interest and Dividend Income, Interest Expenses, net	▲ 0.1	0.2	+0.3	▲ 0.5	0.1	+0.6

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

Special Credits and Charges

Billion yen

	FY Mar/15 3Q (Oct.-Dec)	FY Mar/16 3Q (Oct.-Dec.)	Changes	FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes
Special Credits	0.7	2.7	+2.0	1.0	3.6	+2.6
Gain on Sales of Property, Plant and Equipment	0.0	0.1	+0.1	0.2	0.4	+0.1
Gain on Sales of Investment Securities	0.5	2.3	+1.7	0.5	2.8	+2.3
Others	0.2	0.3	+0.1	0.2	0.4	+0.2
Special Charges	▲ 1.7	▲ 2.7	-1.0	▲ 4.1	▲ 6.4	-2.3
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 1.4	▲ 2.5	-1.1	▲ 3.3	▲ 4.4	-1.0
Loss on Write-down of Investment Securities	▲ 0.0	-	+0.0	▲ 0.0	▲ 1.8	-1.7
Others	▲ 0.3	▲ 0.2	+0.1	▲ 0.7	▲ 0.2	+0.5
Special Credits and Charges, net	▲ 1.0	0.0	+1.0	▲ 3.1	▲ 2.8	+0.3

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

Assets, Liabilities, Net Assets

Billion yen

	End of Mar/15	End of Dec/15	Changes
Total Assets	2,357.9	2,417.2	+59.3
Current Assets	1,017.9	1,085.8	+67.9
Tangible Assets	855.6	844.1	-11.5
Intangible Assets	98.5	93.2	-5.3
Investment and Other Assets	386.0	394.2	+8.2
	End of Mar/15	End of Dec/15	Changes
Total Liabilities	1,277.2	1,348.0	+70.9
Current Liabilities	600.9	662.2	+61.3
Other Liabilities	676.3	685.9	+9.5
Total Net Assets	1,080.8	1,069.1	-11.6
Interest-bearing Debts	700.3	782.0	+81.8
D/E Ratio	0.71	0.79	+0.08

Capital Expenditures, Depreciation, R&D Expenses

Billion yen

	FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes	Comment
Capital Expenditures	84.0	87.5	+3.5	Toray : 17.9, Consolidated subsidiaries : 69.5
Depreciation -)	57.0	65.5	+8.4	Toray : 21.1, Consolidated subsidiaries : 44.3
Transfer, Disposal, etc.	9.1	▲ 33.6	-42.7	
Changes in Tangible Assets	36.1	▲ 11.5	-47.6	
R&D Expenses	43.6	43.3	-0.3	

Major Capital Expenditure Projects:

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

CFA (Toray Carbon Fibers America, Inc.): Carbon fiber TORAYCA® prepreg integrated production facilities

Zoltek (Zoltek Companies, Inc.): Large tow carbon fiber production facilities

TCK (Toray Chemical Korea Inc.): Polyester staple fiber production facilities

Net Sales and Operating Income by Segment

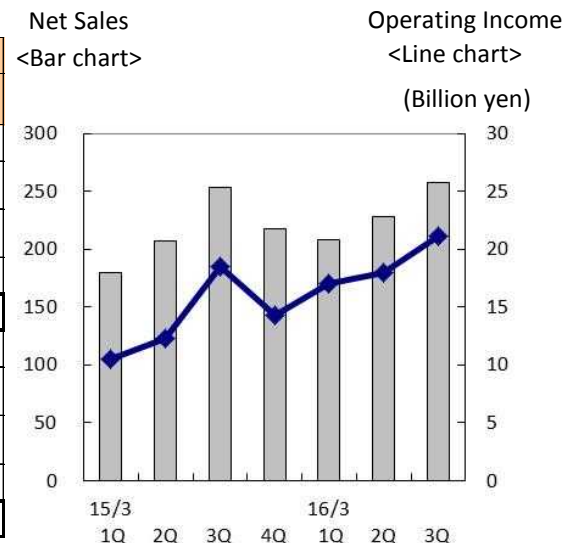
Billion yen

	Net Sales				Operating Income			
	FY Mar/15 3Q (Oct.-Dec.)	FY Mar/16 3Q (Oct.-Dec.)	Changes		FY Mar/15 3Q (Oct.-Dec.)	FY Mar/16 3Q (Oct.-Dec.)	Changes	
Fibers & Textiles	252.8	257.7	+4.9	(+1.9%)	18.5	21.2	+2.6	(+14.1%)
Plastics & Chemicals	124.5	128.2	+3.7	(+2.9%)	5.9	8.8	+2.9	(+48.8%)
IT-related Products	62.3	62.6	+0.3	(+0.4%)	5.7	7.4	+1.7	(+29.4%)
Carbon Fiber Composite Materials	39.8	45.7	+5.9	(+14.9%)	6.7	7.9	+1.2	(+17.5%)
Environment & Engineering	41.7	39.6	-2.1	(-5.1%)	1.5	1.8	+0.3	(+17.5%)
Life Science	14.6	14.5	-0.1	(-0.7%)	1.4	1.2	-0.2	(-16.6%)
Others	3.2	3.4	+0.2	(+4.7%)	0.3	0.5	+0.2	(+45.6%)
Total	539.0	551.7	+12.7	(+2.4%)	40.2	48.7	+8.5	(+21.3%)
Adjustment					▲ 5.0	▲ 5.7	-0.7	
Consolidated	539.0	551.7	+12.7	(+2.4%)	35.2	43.0	+7.8	(+22.3%)

	Net Sales				Operating Income			
	FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes		FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes	
Fibers & Textiles	639.0	693.6	+54.6	(+8.5%)	41.3	56.2	+14.9	(+36.1%)
Plastics & Chemicals	370.7	385.4	+14.7	(+4.0%)	17.6	24.4	+6.8	(+38.7%)
IT-related Products	184.1	187.6	+3.4	(+1.8%)	16.1	19.4	+3.3	(+20.8%)
Carbon Fiber Composite Materials	116.4	140.1	+23.6	(+20.3%)	18.5	26.5	+8.0	(+43.2%)
Environment & Engineering	125.1	122.2	-2.9	(-2.3%)	3.6	3.4	-0.2	(-5.5%)
Life Science	41.1	40.9	-0.2	(-0.6%)	3.1	1.8	-1.3	(-42.1%)
Others	10.4	10.6	+0.2	(+1.5%)	1.0	1.0	-0.1	(-5.0%)
Total	1,487.0	1,580.3	+93.3	(+6.3%)	101.3	132.7	+31.5	(+31.1%)
Adjustment					▲ 14.8	▲ 14.6	+0.2	
Consolidated	1,487.0	1,580.3	+93.3	(+6.3%)	86.5	118.1	+31.6	(+36.6%)

Business Results by Segment (Fibers & Textiles)

		Billion yen							
		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/15	FY Mar/16	Changes		FY Mar/15	FY Mar/16	Changes	
Net Sales	Toray	46.1	47.3	+1.2	(+2.6%)	135.6	145.3	+9.7	(+7.2%)
	Japanese Subsidiaries	149.9	145.5	-4.4	(-2.9%)	344.2	353.6	+9.3	(+2.7%)
	Overseas Subsidiaries	130.0	143.5	+13.5	(+10.4%)	354.2	425.7	+71.6	(+20.2%)
	Adjustment	▲ 73.2	▲ 78.6	-5.4		▲ 195.0	▲ 231.0	-36.0	
	Total	252.8	257.7	+4.9	(+1.9%)	639.0	693.6	+54.6	(+8.5%)
Operating Income	Toray	3.9	4.8	+0.9	(+24.3%)	10.5	14.3	+3.8	(+36.6%)
	Japanese Subsidiaries	4.2	4.3	+0.1	(+3.0%)	8.8	9.7	+0.9	(+9.6%)
	Overseas Subsidiaries	8.7	11.2	+2.5	(+28.4%)	22.9	34.7	+11.8	(+51.6%)
	Adjustment	1.8	0.9	-0.9		▲ 0.8	▲ 2.4	-1.6	
	Total	18.5	21.2	+2.6	(+14.1%)	41.3	56.2	+14.9	(+36.1%)



3Q (Oct.-Dec.)

In Japan, demand for apparel applications remained weak and sales for industrial applications were affected by inventory adjustment at some customers for automotive applications. Against this background, Toray Group, not only strived to expand sales on the whole, but also worked to improve profitability by upgrading the business primarily through promotion of a business format that integrates fibers to textiles to final products. Overseas, shipment for automotive applications such as airbag fabric and interior materials and products for hygiene application were strong.

Nine Months (Apr.-Dec.)

In Japan, demand for apparel applications remained weak and sales for industrial applications were affected by inventory adjustment at some customers for automotive applications. Against this background, Toray Group, not only strived to expand sales on the whole, but also worked to improve profitability by upgrading the business primarily through promotion of a business format that integrates fibers to textiles to final products. Overseas, despite being affected by a slowdown in demand in Europe and sluggish domestic demand in China, textile subsidiaries in China and Southeast Asia pursued sales expansion and a shift towards high value-added products. In addition, shipment for automotive applications such as airbag fabric and interior materials was strong, and demand for hygiene products in Southeast Asia and India expanded.

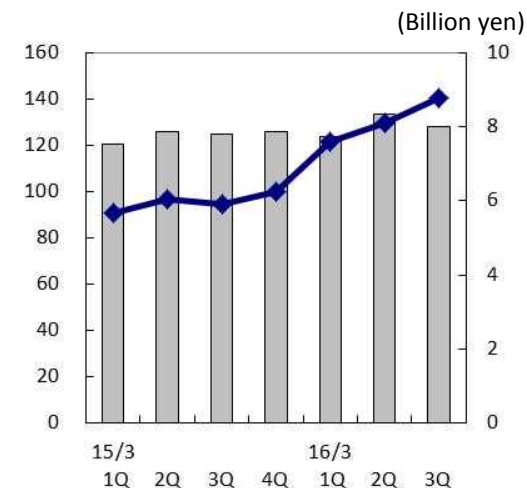
Business Results by Segment (Plastics & Chemicals)

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/15	FY Mar/16	Changes		FY Mar/15	FY Mar/16	Changes	
Net Sales	Toray	33.8	29.7	-4.1	(-12.1%)	104.9	92.5	-12.5	(-11.9%)
	Japanese Subsidiaries	95.5	95.7	+0.2	(+0.2%)	276.7	284.4	+7.7	(+2.8%)
	Overseas Subsidiaries	91.1	84.5	-6.7	(-7.3%)	275.1	271.4	-3.7	(-1.3%)
	Adjustment	▲ 95.9	▲ 81.7	+14.3		▲ 286.0	▲ 262.9	+23.1	
	Total	124.5	128.2	+3.7	(+2.9%)	370.7	385.4	+14.7	(+4.0%)
Operating Income	Toray	0.6	1.4	+0.8	(+121.7%)	1.9	4.0	+2.1	(+111.0%)
	Japanese Subsidiaries	2.5	1.9	-0.5	(-21.5%)	7.0	5.6	-1.4	(-20.0%)
	Overseas Subsidiaries	2.9	5.5	+2.6	(+87.5%)	9.0	15.0	+6.0	(+67.2%)
	Adjustment	▲ 0.1	▲ 0.1	+0.1		▲ 0.3	▲ 0.2	+0.1	
	Total	5.9	8.8	+2.9	(+48.8%)	17.6	24.4	+6.8	(+38.7%)

Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>



3Q
(Oct.-Dec.)

Resins Business : In Japan, shipment for both automotive and non-automotive applications performed strongly. Overseas, shipment at subsidiaries in the U.S. expanded for automotive applications and shipment of ABS resin at a subsidiary in Malaysia remained strong.

Films Business : The products for packaging applications performed strongly both in Japan and abroad. Toray Group, despite many applications being affected by price competition, strived to improve profitability of the business by emphasizing on sales expansion of high value-added products and cost reduction.

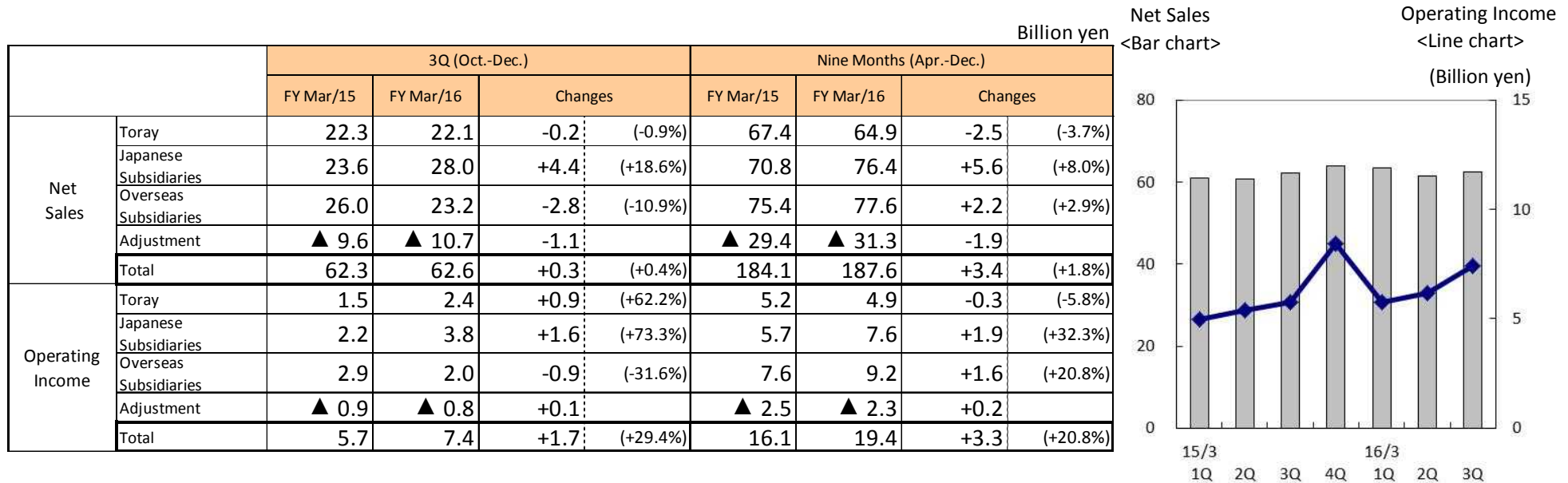
Both resins and films business were affected by the decline in selling prices reflecting the drop in raw materials prices from the previous year.

Nine Months
(Apr.-Dec.)

In the resins business, while shipment for automotive applications was affected in Japan by the decline in automobile production, other applications performed strongly in general. Overseas, shipment at subsidiaries in the U.S. expanded for automotive applications and shipment of ABS resin at a Malaysian subsidiary remained strong.

In the films business, the products for packaging applications performed strongly both in Japan and abroad. Toray Group, despite many applications being affected by price competition, strived to improve profitability of the business by emphasizing on sales expansion of high value-added products and cost reduction.

Business Results by Segment (IT-related Products)



3Q (Oct.-Dec.)

Regarding large LCD panel-related materials, films and processed film products and electric circuit materials were affected by production adjustment at customers. For smartphone-related materials, electronic components performed strongly. A Japanese subsidiary expanded sales of LCD color filter manufacturing equipment, etc. In the meantime, all materials continued to be affected by price competition and Toray Group worked to maintain profitability of the business through measures such as cost reduction.

Nine Months (Apr.-Dec.)

Regarding large LCD panel-related materials, the trend shifted to larger displays and demand for 4K TV expanded, but related materials such as films and processed film products were affected by production adjustment at customers. Smartphone- and tablet terminal-related materials performed strongly, as shipment of high performance electric circuit materials at a subsidiary in Republic of Korea expanded. A Japanese subsidiary expanded sales of LCD color filter manufacturing equipment, etc. In the meantime, all materials continued to be affected by price competition and Toray Group worked to maintain profitability of the business through measures such as cost reduction.

Details of the Sales of IT-related Products Segment

【Sales ratio by sub-segment】

Billion yen

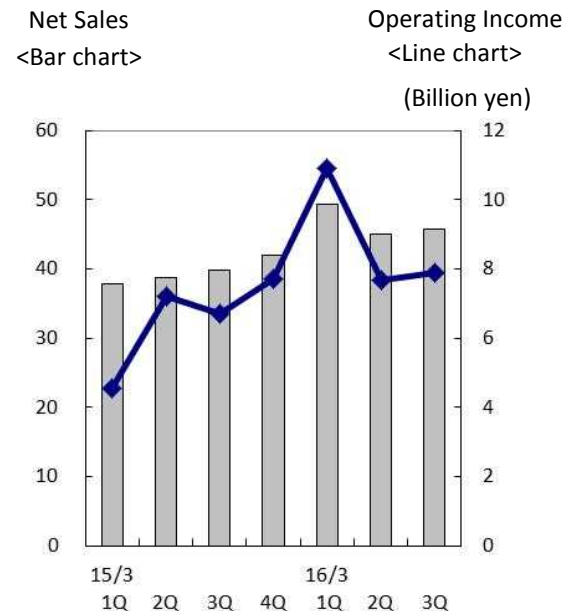
	FY Mar/15 3Q (Oct.-Dec.)		FY Mar/16 3Q (Oct.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	21.3	34%	18.3	29%	-14%
Electronic Components, Semiconductor, Electric Circuit Materials	27.7	44%	27.5	44%	-1%
Data Storage Materials	8.6	14%	7.4	12%	-14%
Equipment, others	4.8	8%	9.4	15%	+97%
Total	62.3		62.6		+0%

	FY Mar/15 Nine Months (Apr.-Dec.)		FY Mar/16 Nine Months (Apr.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Display Materials	63.4	34%	54.1	29%	-15%
Electronic Components, Semiconductor, Electric Circuit Materials	80.9	44%	91.2	49%	+13%
Data Storage Materials	24.5	13%	23.0	12%	-6%
Equipment, others	15.4	8%	19.2	10%	+25%
Total	184.1		187.6		+2%

Business Results by Segment (Carbon Fiber Composite Materials)

Billion yen

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/15	FY Mar/16	Changes		FY Mar/15	FY Mar/16	Changes	
Net Sales	Toray	23.0	26.4	+3.4	(+14.6%)	69.6	79.6	+9.9	(+14.3%)
	Japanese Subsidiaries	17.2	21.8	+4.6	(+26.8%)	46.8	61.7	+14.8	(+31.7%)
	Overseas Subsidiaries	34.8	37.7	+2.9	(+8.4%)	101.8	121.9	+20.1	(+19.7%)
	Adjustment	▲ 35.3	▲ 40.2	-5.0		▲ 101.8	▲ 123.1	-21.2	
	Total	39.8	45.7	+5.9	(+14.9%)	116.4	140.1	+23.6	(+20.3%)
Operating Income	Toray	3.6	4.8	+1.2	(+32.1%)	11.6	15.7	+4.1	(+34.9%)
	Japanese Subsidiaries	0.2	0.3	+0.1	(+31.9%)	0.6	0.8	+0.2	(+42.1%)
	Overseas Subsidiaries	4.0	3.7	-0.3	(-8.6%)	9.1	13.0	+3.9	(+43.4%)
	Adjustment	▲ 1.1	▲ 0.9	+0.3		▲ 2.8	▲ 3.0	-0.2	
	Total	6.7	7.9	+1.2	(+17.5%)	18.5	26.5	+8.0	(+43.2%)



3Q (Oct.-Dec.)

Sales of regular tow carbon fibers and intermediate products (prepreg) remained strong mainly for aerospace applications. The new facilities that started production in the latter half of 2014 and the first half of 2015 contributed to production increase and sales expansion, and the shipment of products for fuel cell vehicles performed strongly. At a U.S. subsidiary which produces large tow products, shipment expanded for the mainstay application of windmills and that of the friction resistance material used in aircraft brakes was also strong.

Nine Months (Apr.-Dec.)

Among regular tow products, shipment of carbon fibers and intermediate products (prepreg) increased for aerospace applications and general industrial applications, as demand for aircrafts as well as that in the environment and energy fields including compressed natural gas tank applications expanded. The new facilities that started production in the latter half of 2014 and in the first half of 2015 contributed to production increase and sales expansion, and the shipment of products for fuel cell vehicles started in earnest. At a U.S. subsidiary which produces large tow products, shipment expanded for the mainstay application of windmills and that of the friction resistance material used in aircraft brakes was also strong.

Details of the Sales of Carbon Fiber Composite Materials Segment

【Sales ratio by sub-segment】

Billion yen

	FY Mar/15 3Q (Oct.-Dec.)		FY Mar/16 3Q (Oct.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	19.6	49%	23.2	51%	+18%
Sports	4.1	10%	3.9	9%	-3%
Industrial	16.1	40%	18.7	41%	+16%
Total	39.8		45.7		+15%

	FY Mar/15 Nine Months (Apr.-Dec.)		FY Mar/16 Nine Months (Apr.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	57.1	49%	71.2	51%	+25%
Sports	11.9	10%	12.3	9%	+3%
Industrial	47.4	41%	56.6	40%	+19%
Total	116.4		140.1		+20%

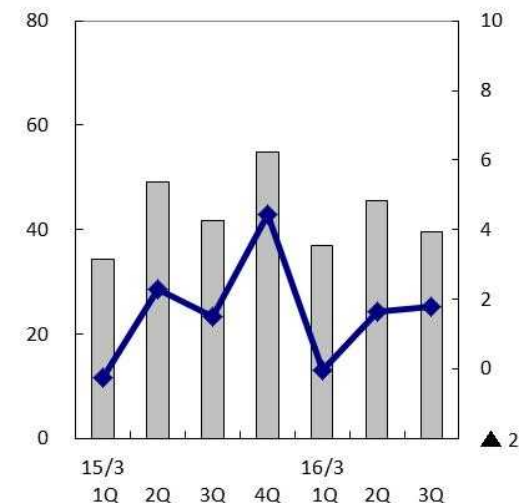
Business Results by Segment (Environment & Engineering)

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/15	FY Mar/16	Changes		FY Mar/15	FY Mar/16	Changes	
Net Sales	Toray	5.4	4.8	-0.6	(-10.7%)	17.0	15.0	-2.0	(-11.8%)
	Japanese Subsidiaries	53.0	54.1	+1.1	(+2.0%)	149.7	145.2	-4.5	(-3.0%)
	Overseas Subsidiaries	6.4	7.3	+0.9	(+13.8%)	18.2	21.0	+2.9	(+15.7%)
	Adjustment	▲ 23.1	▲ 26.6	-3.5		▲ 59.7	▲ 59.0	+0.8	
	Total	41.7	39.6	-2.1	(-5.1%)	125.1	122.2	-2.9	(-2.3%)
Operating Income	Toray	0.1	0.1	-0.0	(-47.1%)	0.3	0.7	+0.4	(+131.3%)
	Japanese Subsidiaries	1.1	0.9	-0.2	(-17.0%)	2.4	0.4	-2.1	(-84.3%)
	Overseas Subsidiaries	0.5	1.0	+0.5	(+110.3%)	1.2	2.7	+1.5	(+128.8%)
	Adjustment	▲ 0.1	▲ 0.1	-0.0		▲ 0.4	▲ 0.5	-0.1	
	Total	1.5	1.8	+0.3	(+17.5%)	3.6	3.4	-0.2	(-5.5%)

Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>
(Billion yen)



3Q
(Oct.-Dec.)

Water Treatment Business : Subsidiaries in Republic of Korea and China performed strongly.

Japanese Subsidiaries

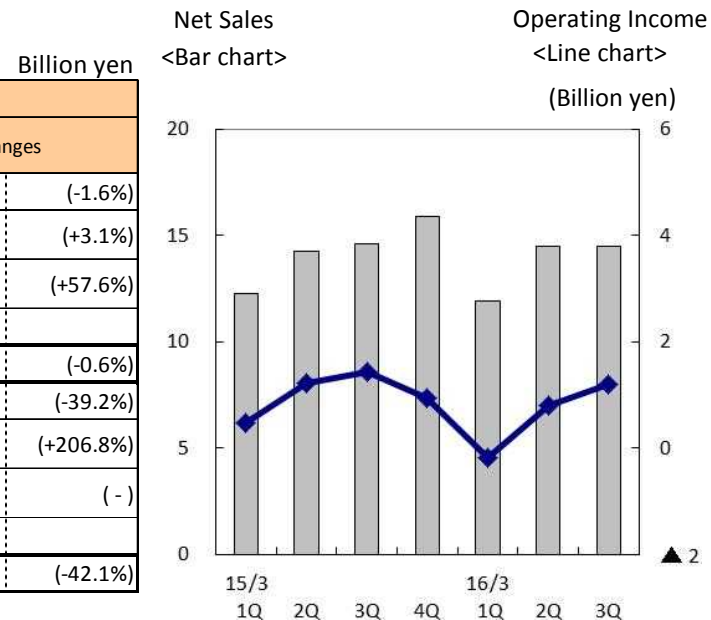
: While transaction volume increased at a trading subsidiary, the number of plant construction projects declined at an engineering subsidiary and a construction subsidiary saw the number of condominiums sold declined compared with the same period a year earlier.

Nine Months
(Apr.-Dec.)

In the water treatment business, profitability of exports of products including reverse osmosis membranes from Japan improved thanks to the progress made in cost reduction and the weaker yen. Subsidiaries in Republic of Korea and China also performed strongly. In terms of domestic subsidiaries in the segment, the number of plant construction projects declined at an engineering subsidiary and a construction subsidiary saw the number of condominiums sold declined compared with the same period a year earlier.

Business Results by Segment (Life Science)

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/15	FY Mar/16	Changes		FY Mar/15	FY Mar/16	Changes	
Net Sales	Toray	9.3	8.6	-0.7	(-7.1%)	25.4	25.0	-0.4	(-1.6%)
	Japanese Subsidiaries	10.2	10.2	+0.0	(+0.4%)	28.8	29.7	+0.9	(+3.1%)
	Overseas Subsidiaries	2.5	2.9	+0.4	(+16.5%)	5.8	9.1	+3.3	(+57.6%)
	Adjustment	▲ 7.3	▲ 7.2	+0.1		▲ 18.9	▲ 23.0	-4.1	
	Total	14.6	14.5	-0.1	(-0.7%)	41.1	40.9	-0.2	(-0.6%)
Operating Income	Toray	1.6	1.6	-0.0	(-0.8%)	3.6	2.2	-1.4	(-39.2%)
	Japanese Subsidiaries	0.1	0.1	-0.0	(-4.5%)	0.1	0.4	+0.3	(+206.8%)
	Overseas Subsidiaries	▲ 0.2	▲ 0.1	+0.1	(-)	▲ 0.3	▲ 0.1	+0.2	(-)
	Adjustment	▲ 0.1	▲ 0.4	-0.3		▲ 0.3	▲ 0.7	-0.4	
	Total	1.4	1.2	-0.2	(-16.6%)	3.1	1.8	-1.3	(-42.1%)



3Q (Oct.-Dec.)

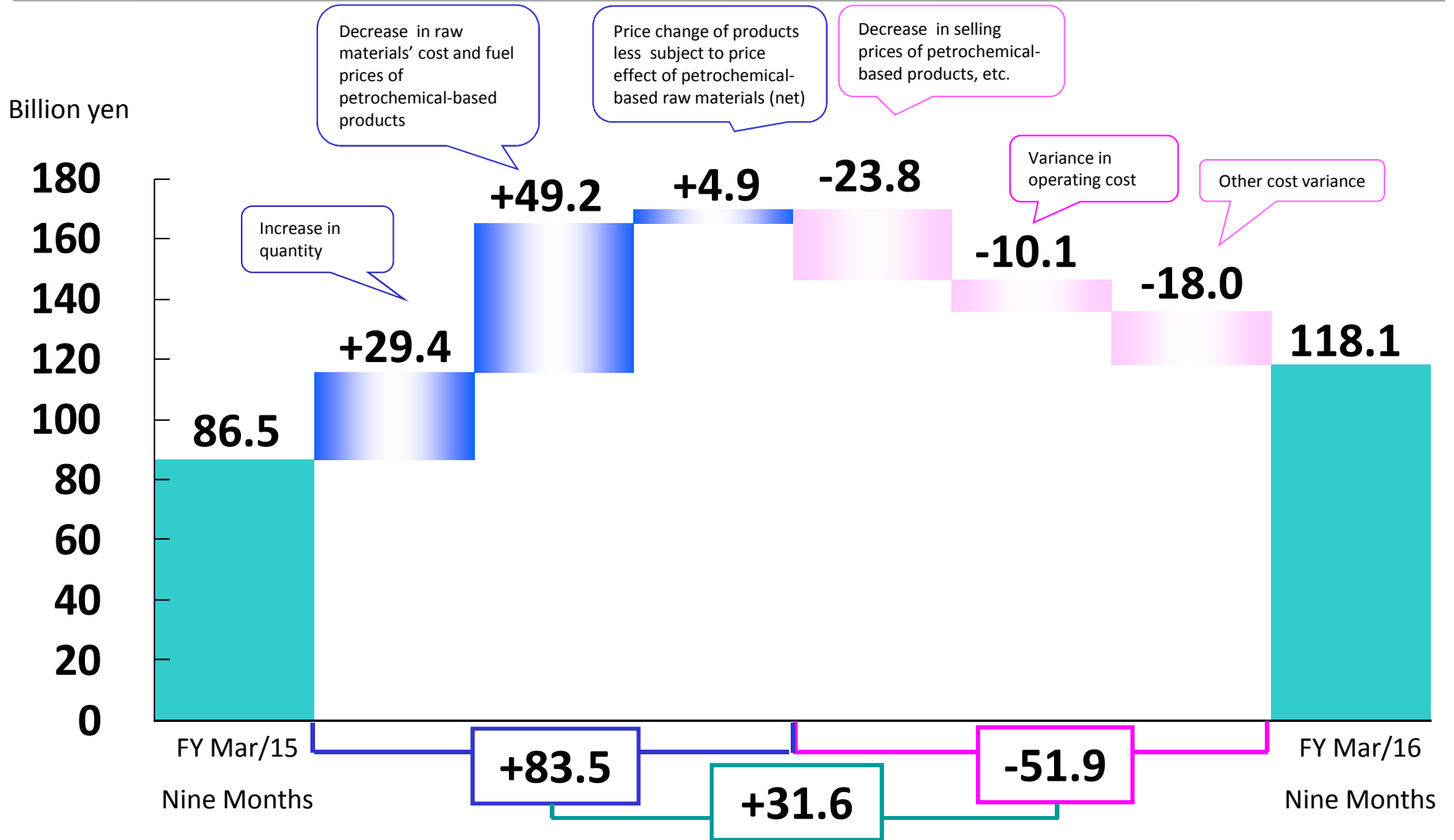
In the pharmaceutical business, sales of REMITCH[®]*, an oral anti-pruritus drug for hemodialysis patients was strong, however, shipment of natural-type interferon beta preparation FERON[®] and orally active prostacyclin derivative DORNER[®] remained sluggish due to the impact of alternative medicine and generic drugs. License revenue also decreased compared with the same period a year ago. The medical devices business performed strongly, as shipment of dialyzers grew strongly and profitability of exports improved.

Nine Months (Apr.-Dec.)

In the pharmaceutical business, shipment of FERON[®] and DORNER[®] remained sluggish due to the impact of alternative medicine and generic drugs. License revenue also decreased compared with the same period a year ago. The medical devices business performed strongly, as shipment of dialyzers grew strongly and profitability of exports improved.

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

Income Variance Factor Analysis (Nine Months)



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

Results of Major Subsidiaries (Nine Months)

Billion yen

		Net Sales			Operating Income		
		FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes	FY Mar/15 Nine Months (Apr.-Dec.)	FY Mar/16 Nine Months (Apr.-Dec.)	Changes
Toray International Inc.		444.0	459.9	+15.9	8.8	9.9	+1.1
Toray Engineering Co., Ltd.		56.2	56.5	+0.4	1.1	1.7	+0.5
Toray Construction Co., Ltd.		36.3	30.1	-6.2	1.2	0.0	-1.1
Toray Advanced Film Co., Ltd.		35.5	31.9	-3.7	1.8	1.1	-0.7
Toray Medical Co., Ltd.		28.8	29.7	+0.9	0.1	0.4	+0.3
TAK (Republic of Korea)		90.3	87.7	-2.6	8.0	9.0	+0.9
TPM (Malaysia)		53.4	51.1	-2.3	2.0	4.7	+2.7
Subsidiaries in Southeast Asia *1	Fibers & Textiles	93.0	95.3	+2.3	4.3	6.4	+2.2
	Plastics & Chemicals	63.4	62.0	-1.4	2.6	5.7	+3.1
	Others	6.1	6.5	+0.4	0.4	0.8	+0.4
	Total	162.6	163.8	+1.2	7.2	12.9	+5.7
Subsidiaries in China *2	Fibers & Textiles	156.3	221.0	+64.7	12.9	18.9	+6.1
	Plastics & Chemicals	63.5	61.0	-2.5	1.9	2.8	+1.0
	Others	14.3	19.6	+5.3	▲ 0.1	0.4	+0.5
	Total	234.1	301.7	+67.6	14.6	22.2	+7.6
Films Subsidiaries (Overseas) *3	Plastics & Chemicals	80.6	79.8	-0.7	4.0	5.4	+1.4
	IT-related Products	50.6	45.7	-4.9	6.7	5.6	-1.1
	Total	131.2	125.5	-5.6	10.7	11.0	+0.3

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

*2 : TFNL, TSD, TJQ, TPN, TCH, TICH, TIHK, THK-G, TPCH-G, TPPH/TPPZ, TFH/TFZ, TBMC, TMQ, TFCC , TFN

*3 : TAK, TCK, PFR, TPA, TFE, TFH/TFZ, TAFK, TFN * the above alphabets are abbreviations of each company, figures are sum of total

II. Business Forecast for the Fiscal Year Ending March 2016 (Consolidated Basis)

Forecast Summary for the Fiscal Year Ending March 2016

Billion yen

		FY Mar/15 Actual	FY Mar/16 Forecast	Changes		Previous Forecast	Difference from Previous Forecast
Net Sales	1st Half	948.0	1,028.6	+80.6	(+8.5%)	1,028.6	—
	2nd Half	1,062.8	1,111.4	+48.7	(+4.6%)	1,171.4	-60.0
	Total	2,010.7	2,140.0	+129.3	(+6.4%)	2,200.0	-60.0
Operating Income	1st Half	51.3	75.1	+23.8	(+46.4%)	75.1	—
	2nd Half	72.2	79.9	+7.7	(+10.7%)	79.9	—
	Total	123.5	155.0	+31.5	(+25.5%)	155.0	—
Ordinary Income	1st Half	56.5	75.5	+19.0	(+33.6%)	75.5	—
	2nd Half	72.1	79.5	+7.4	(+10.3%)	79.5	—
	Total	128.6	155.0	+26.4	(+20.6%)	155.0	—
Net Income Attributable to Owners of Parent	1st Half	41.3	49.4	+8.2	(+19.8%)	49.4	—
	2nd Half	29.8	40.6	+10.8	(+36.3%)	40.6	—
	Total	71.0	90.0	+19.0	(+26.7%)	90.0	—

Net Income per Share	1st Half	25.70 yen	30.93 yen
	2nd Half	18.61 yen	25.37 yen
	Total	44.33 yen	56.30 yen
Dividend per Share	1st Half	5.00 yen	6.00 yen
	2nd Half	6.00 yen	6.00 yen
	Total	11.00 yen	12.00 yen

Remarks : Exchange rate 120 yen / US\$ (from January)

Forecast by Segment (Net Sales / Operating Income)

Billion yen

		FY Mar/15 Actual			FY Mar/16 Forecast			Changes			Difference from Previous Forecast
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total	Total
Net Sales	Fibers & Textiles	386.2	470.5	856.7	435.8	474.2	910.0	+49.7	+3.6	+53.3	—
	Plastics & Chemicals	246.2	250.2	496.4	257.2	257.8	515.0	+11.0	+7.6	+18.6	-25.0
	IT-related Products	121.8	126.1	248.0	125.0	130.0	255.0	+3.1	+3.9	+7.0	-10.0
	Carbon Fiber Composite Materials	76.6	81.7	158.4	94.3	95.7	190.0	+17.7	+14.0	+31.6	-10.0
	Environment & Engineering	83.4	96.6	180.0	82.6	112.4	195.0	-0.8	+15.8	+15.0	-15.0
	Life Science	26.5	30.5	57.0	26.4	33.6	60.0	-0.1	+3.1	+3.0	—
	Others	7.2	7.1	14.3	7.2	7.8	15.0	-0.0	+0.7	+0.7	—
	Consolidated	948.0	1,062.8	2,010.7	1,028.6	1,111.4	2,140.0	+80.6	+48.7	+129.3	-60.0
Operating Income	Fibers & Textiles	22.8	32.8	55.6	35.0	32.0	67.0	+12.3	-0.9	+11.4	—
	Plastics & Chemicals	11.7	12.2	23.9	15.7	15.3	31.0	+3.9	+3.2	+7.1	—
	IT-related Products	10.3	14.2	24.5	12.0	13.0	25.0	+1.6	-1.1	+0.5	—
	Carbon Fiber Composite Materials	11.8	14.5	26.2	18.6	18.4	37.0	+6.8	+4.0	+10.8	—
	Environment & Engineering	2.1	5.9	8.0	1.6	8.4	10.0	-0.5	+2.4	+2.0	—
	Life Science	1.7	2.4	4.1	0.6	3.4	4.0	-1.1	+1.0	-0.1	—
	Others	0.7	1.2	1.9	0.5	1.5	2.0	-0.2	+0.3	+0.1	—
	Adjustment	▲ 9.8	▲ 11.0	▲ 20.7	▲ 8.9	▲ 12.1	▲ 21.0	+0.9	-1.2	-0.3	—
Consolidated	51.3	72.2	123.5	75.1	79.9	155.0	+23.8	+7.7	+31.5	—	

Descriptions of predicted business results, projections, and business plans for the Fiscal Year Ending March 2016 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.

'TORAY'

Innovation by Chemistry