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[Summary] Consolidated Results for the Nine Months Ended December 31, 2015

Tokyo, February 9, 2016 - Toray Industries, Inc. ("Toray") today announced its consolidated business results for the nine months ended December 31, 2015 of the fiscal year ending March 31, 2016. The following summary of the business results that Toray submitted to the Tokyo Stock Exchange is unaudited and for reference only. (Code Number: 3402)

Consolidated Business Results

(Millions of yen, *millions of U.S. dollars,* except per share data)

	Nine months ended December 31,				(Reference) Fiscal 2014
	2015	2014	Change	**2015**	
	Yen		%	*U.S. dollars*	Yen
Net sales	**¥1,580,267**	¥1,486,985	6.3	***$13,103***	¥2,010,734
Operating income	**118,113**	86,477	36.6	***979***	123,481
Ordinary income	**117,737**	92,050	27.9	***976***	128,572
Net income attributable to owners of parent	**76,170**	62,532	21.8	***632***	71,021
Earnings per share - Basic (Yen)	**47.65**	39.00	-	-	44.33
Earnings per share - Diluted (Yen)	**47.59**	38.96	-	-	44.28

Consolidated Financial Condition

(Millions of yen, *millions of U.S. dollars*)

	As of December 31, 2015		As of March 31, 2015
	Yen	*U.S. dollars*	Yen
Total assets	**¥2,417,189**	***$20,043***	¥2,357,925
Net assets	**1,069,144**	***8,865***	1,080,757
Equity ratio	**40.9%**	-	41.8%

Cash Dividends

(Yen)

	Cash dividends per share				
	1Q	2Q	3Q	4Q	Total
FY2014	-	**¥5.00**	-	**¥6.00**	**¥11.00**
FY2015	-	**6.00**	-		
FY2015 (forecast)				**6.00**	**12.00**

Notes:
1. For calculation of "Equity ratio", non-controlling interests and stock acquisition rights are deducted from net assets.
2. U.S. dollar amounts have been converted from yen at the exchange rate of ¥120.6 = U.S.$1, the approximate rate of exchange prevailing on December 31, 2015.
3. Amounts are rounded to the nearest million.

Segment Information

(Millions of yen, *millions of U.S. dollars*)

Net Sales	Nine months ended December 31,		
	2015	2014	**2015**
	Yen		*U.S. dollars*
Fibers & Textiles	**¥693,572**	¥638,996	***$5,751***
Plastics & Chemicals	**385,391**	370,728	***3,196***
IT-related Products	**187,552**	184,148	***1,555***
Carbon Fiber Composite Materials	**140,054**	116,433	***1,161***
Environment & Engineering	**122,231**	125,120	***1,014***
Life Science	**40,877**	41,122	***339***
Others	**10,590**	10,438	***88***
Consolidated Total	**1,580,267**	1,486,985	***13,103***

Segment Income	Nine months ended December 31,		
	2015	2014	**2015**
	Yen		*U.S. dollars*
Fibers & Textiles	**¥56,188**	¥41,290	***$466***
Plastics & Chemicals	**24,442**	17,621	***203***
IT-related Products	**19,421**	16,079	***161***
Carbon Fiber Composite Materials	**26,492**	18,500	***220***
Environment & Engineering	**3,396**	3,592	***28***
Life Science	**1,814**	3,133	***15***
Others	**994**	1,046	***8***
Total	**132,747**	101,261	***1,101***
Adjustment	**(14,634)**	(14,784)	***(121)***
Consolidated Total (Operating income)	**118,113**	86,477	***979***

Notes:
1. “Others” represents service-related businesses such as analysis, survey and research.
2. “Adjustment” of segment income for the nine months ended December 31, 2015 of (14,634) million yen includes intersegment eliminations of 238 million yen and corporate expenses of (14,872) million yen. “Adjustment” of segment income for the nine months ended December 31, 2014 of (14,784) million yen includes intersegment eliminations of (781) million yen and corporate expenses of (14,003) million yen. The corporate expenses consist of the headquarters’ research expenses, etc. that are not allocated to each reportable segment.
3. U.S. dollar amounts have been converted from yen at the exchange rate of ¥120.6 = U.S.$1, the approximate rate of exchange prevailing on December 31, 2015.
4. Amounts are rounded to the nearest million.

Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2016

(Millions of yen, *millions of U.S. dollars*)

	Year ending March 31, 2016	
	Yen	*U.S. dollars*
Net sales	¥2,140,000	*$17,833*
Operating income	155,000	*1,292*
Ordinary income	155,000	*1,292*
Net income attributable to owners of parent	90,000	*750*

Reference: EPS forecast (year ending March 31, 2016) ¥56.30

Notes:
1. U.S. dollar amounts have been converted from yen at the exchange rate of ¥120.0 = U.S.$1, the estimated rate of exchange from January onwards.
2. Amounts are rounded to the nearest million.

Consolidated Business Results and Financial Condition

1. Overview of the Nine Months Ended December 31, 2015

During the nine months under review, though the Chinese economy continued to slow down gradually and economies of many other emerging countries also showed signs of weakness, the U.S. economy maintained its recovery and the European economy also picked up steadily. The Japanese economy continued on its modest recovery track on the back of improving corporate earnings as well as employment and income situation, despite some signs of sluggishness in production and exports.

Under such circumstances, Toray Group, based on the medium-term management program “Project AP-G 2016” launched in April 2014 with the final year being fiscal year 2016, has been implementing the growth strategy with focus on taking advantage of growth business fields and business opportunities and pursuing business expansion in growth countries and regions and further bolstering its total cost competitiveness in accordance with the program.

As a result, consolidated net sales for the nine months ended December 31, 2015 increased 6.3% compared with the same period of the previous fiscal year to ¥1,580.3 billion (US$13,103 million). Operating income came to ¥118.1 billion (US$979 million), up 36.6%, and ordinary income rose 27.9% to ¥117.7 billion (US$976 million). Net income attributable to owners of parent increased by 21.8% to ¥76.2 billion (US$632 million).

Business performance by segment is described below.

Business Performance by Segment:

Fibers & Textiles
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.

As a result, overall sales of Fibers & Textiles segment increased 8.5% to ¥693.6 billion (US$5,751 million) compared with the same period a year earlier, while operating income rose 36.1% to ¥56.2 billion (US$466 million).

Plastics & Chemicals
In the resin business, while shipment of automotive application products 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 film 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.

As a result, overall sales of Plastics & Chemicals segment increased 4.0% to ¥385.4 billion (US$3,196 million) compared with the same period a year earlier, and operating income rose 38.7% to ¥24.4 billion (US$203 million).

IT-related Products
In the IT-related Products segment, 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.

As a result, overall sales of IT-related Products segment increased 1.8% to ¥187.6 billion (US$1,555 million) compared with the same period a year earlier, and operating income rose 20.8% to ¥19.4 billion (US$161 million).

Carbon Fiber Composite Materials
In the Carbon Fiber Composite Materials segment, 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.

As a result, overall sales of Carbon Fiber Composite Materials segment increased 20.3% to ¥140.1 billion (US$1,161 million) compared with the same period a year earlier, and operating income rose 43.2% to ¥26.5 billion (US$220 million).

Environment & Engineering
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.

As a result, overall sales of Environment & Engineering segment declined 2.3% to ¥122.2 billion (US$1,014 million) compared with the same period a year earlier, and operating income fell 5.5% to ¥3.4 billion yen (US$28 million).

Life Science
In the pharmaceutical business, 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.

As a result, overall sales of Life Science segment declined 0.6% to ¥40.9 billion (US$339 million) compared with the same period a year earlier, and operating income fell 42.1% to ¥1.8 billion (US$15 million).

2. Analysis of Financial Condition

As of December 31, 2015, Toray Group's total assets stood at ¥2,417.2 billion (US$20,043 million), up ¥59.3 billion from the end of the previous fiscal year primarily due to increases in notes and accounts receivable and inventory.

Liabilities increased by ¥70.9 billion to ¥1,348.0 billion (US$11,178 million) compared to the end of the previous fiscal year, owing mainly to an increase in interest-bearing debts.

Net assets declined ¥11.6 billion compared with the end of the previous fiscal year to ¥1,069.1 billion (US$8,865 million), due to fluctuations in foreign currency translation adjustment. Net assets less non-controlling interests and stock acquisition rights came to ¥988.6 billion (US$8,197 million).

3. Forecast of Consolidated Results

The global economy as a whole is expected to continue its steady growth led by economic recovery in developed countries including the U.S., though attention should be paid to risk factors such as the slowdown in the Chinese economy, downturn of other emerging economies and the impact of the normalization of the U.S. monetary policy. Though the Japanese economy is also expected to break free from the current standstill and recover gradually on the back of improving employment and income situation, there remain concerns regarding downturn of overseas economies and fluctuations of the global financial markets.

Under such circumstances, Toray Group will continue to focus on measures under the medium-term management program "Project AP-G 2016" and strive to drive forward the growth strategy and strengthen its revenue base.

As for the full year through March 31, 2016, Toray revised its forecast of consolidated net sales to ¥2,140.0 billion (US$17,833 million) to reflect the financial results for the first nine months and the recent business environment including changes in crude oil price. Toray has kept unchanged its full-year forecasts for operating income, ordinary income and net income attributable to owners of parent announced on November 10, 2015. The calculation of Toray Group's earnings forecasts from January 2016 onwards is based on an assumed foreign currency exchange rate of ¥120.0 to the U.S. dollar.

Notes:
1. U.S. dollar amounts have been converted from yen at the exchange rate of ¥120.6 =U.S.$1, the approximate rate of exchange prevailing on December 31, 2015.
2. U.S. dollar amounts of forecasts have been converted from yen at the exchange rate of ¥120.0 = U.S.$1, the estimated rate of exchange from January onwards.

Disclaimer
Descriptions of predicted business results, forecasts and business plans contained in this material are based on predictive forecasts of the future business environment made at the present time. The material in this statement is not a guarantee of Toray's future business performance.

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