

# **Business Results for the Third Quarter of Fiscal Year Ending March 2005**

Toray Industries, Inc.

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# **I. Consolidated Business Results for the 3Q of FY Ending March 2005**

# Summary (Profits of nine months from Apr to Dec)

Unit: Billion Yen

Excluding Chori and Suido Kiko effects

	Apr-Dec of FY Mar/04	Apr-Dec of FY Mar/05	Changes	Apr-Dec of FY Mar/05	Changes
Net Sales	791.3	<b>911.9</b>	+120.6 (+15.2%)	<b>852.5</b>	+61.2 (+7.7%)
Gross Profit	170.4	<b>191.4</b>	+21.0 (+12.3%)	<b>185.7</b>	+15.3 (+9.0%)
(Gross Profit to Net Sales)	21.5%	<b>21.0%</b>	-0.5 points	<b>21.8%</b>	+0.3 points
Operating Income	36.2	<b>50.2</b>	+14.0 (+38.8%)	<b>49.4</b>	+13.2 (+36.5%)
(Operating Income to Net Sales)	4.6%	<b>5.5%</b>	+0.9 points	<b>5.8%</b>	+1.2 points
Non-operating Income and Expenses, net	▲ 2.5	▲ <b>1.8</b>	+0.7 (-)		
Ordinary Income	33.7	<b>48.4</b>	+14.7 (+43.7%)		
Special Credits and Charges, net	-	▲ <b>6.1</b>			
Net Income	-	<b>26.8</b>			

\*Consolidated business results are the sums of Apr – Dec business results in companies whose FY end on Mar 31 and Jan – Sep business results in companies whose FY end on December 31.

# Summary (Third Quarter (Oct – Dec) )

Unit: Billion Yen

Excluding Chori and Suido Kiko effects

	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/05	Changes
Net Sales	257.0	<b>336.2</b>	+79.2 (+30.8%)	<b>276.8</b>	+19.8 (+7.7%)
Gross Profit	55.9	<b>64.3</b>	+8.4 (+15.0%)	<b>58.6</b>	+2.7 (+4.8%)
(Gross Profit to Net Sales)	21.8%	<b>19.1%</b>	-2.6 points	<b>21.2%</b>	-0.6 points
Operating Income	11.4	<b>14.6</b>	+3.2 (+27.8%)	<b>13.8</b>	+2.3(+20.5%)
(Operating Income to Net Sales)	4.5%	<b>4.4%</b>	-0.1 points	<b>5.0%</b>	+0.5 points
Non-operating Income and Expenses, net	▲ 0.7	▲ <b>1.0</b>	-0.3 (-)		
Ordinary Income	10.7	<b>13.6</b>	+2.9 (+27.1%)		
Special Credits and Charges, net	-	▲ <b>1.9</b>			
Net Income of the Quarter	-	<b>7.0</b>			

\*Consolidated business results are the sums of Oct – Dec business results in companies whose FY end on Mar 31 and Jul – Sep business results in companies whose FY end on December 31.

# Summary (Financial Position)

Unit: Billion Yen

	End of Sep/04	End of Dec/04	Changes	End of Mar/04 (FYI)
Total Assets	1,395.3	<b>1,405.9</b>	+10.6 (+0.8%)	1,295.3
Stockholder's Equity	433.6	<b>442.4</b>	+8.8 (+2.0%)	414.2
Interest-bearing Debts	500.7	<b>490.3</b>	-10.5 (-2.1%)	494.5
D/E Ratio	1.15	<b>1.11</b>	-0.05	1.19

\*Consolidation effects of Chori and Suido Kiko are included on and after end of Sep 2004.

# Non-operating Income and Expenses, Special Credits and Charges



Unit: Billion Yen

	3Q FY Mar/05
Non-operating Income	<b>3.3</b>
Interest and Dividend Income	<b>0.4</b>
Equity in Earnings of Affiliates	<b>1.3</b>
Other	<b>1.6</b>
Non-operating Expenses	<b>▲ 4.3</b>
Interest Expenses	<b>▲ 1.9</b>
Other	<b>▲ 2.4</b>
Non-operating Income and Expenses, net	<b>▲ 1.0</b>
Interest and Dividend Income, Interest Expenses, net	<b>▲ 1.5</b>
Other Income and Expenses, net	<b>▲ 0.8</b>

	3Q FY Mar/05
Special Credits	<b>0.2</b>
Gain on Sales of Property, Plant, and Equipment	<b>0.0</b>
Gain on Sales of Investments in Securities	<b>0.1</b>
Special Charges	<b>▲ 2.1</b>
Loss on Sales or Disposal of Property, Plant, and Equipment	<b>▲ 0.7</b>
Restructuring Expenses	<b>▲ 1.3</b>
Other	<b>▲ 0.0</b>
Special Credits and Charges, net	<b>▲ 1.9</b>

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

# Assets, Capital Expenditures, Depreciation

Unit: Billion Yen

	End of Sep/04	End of Dec/04	Changes	End of Mar/04 (FYI)
Total Assets	1,395.3	<b>1,405.9</b>	+10.6	1,295.3
Current Assets	645.9	<b>647.9</b>	+2.0	549.1
Tangible Fixed Assets	532.1	<b>533.9</b>	+1.8	543.3
Intangible Assets	10.8	<b>10.3</b>	-0.5	9.6
Investments and Other Assets	206.5	<b>213.8</b>	+7.3	193.3

	3Q FY Mar/05	Comments
Capital Expenditures	<b>15.0</b>	Toray : 5.7, Japan : 2.1, Overseas : 7.2
Depreciation                   -)	<b>16.2</b>	Toray : 6.8, Japan : 2.6, Overseas : 6.9
Transfer, Elimination, etc.	<b>3.0</b>	
Changes in Tangible Fixed Assets	<b>1.8</b>	

## Major Capital Expenditures

<Japan>

Toray : PPS resin polymerization facility (Tokai plant)

Artificial kidney production facility (Okazaki plant)

<Overseas>

SOFICAR : Carbon fiber production facility (France)



# Liabilities, Stockholders' Equity

Unit: Billion Yen

	End of Sep/04	End of Dec/04	Changes	End of Mar/04 (FY)
Total Liabilities	910.5	<b>911.0</b>	+0.4	843.7
Current Liabilities	548.5	<b>554.0</b>	+5.5	472.9
Other Liabilities	362.0	<b>357.0</b>	-5.0	370.8
Minority Interests in Consolidated Subsidiaries	51.2	<b>52.5</b>	+1.3	37.4
Total Stockholders' Equity	433.6	<b>442.4</b>	+8.8	414.2
Interest-bearing Debts	500.7	<b>490.3</b>	-10.5	494.5

# Summary (Results by Business Segment)

	Net Sales			Operating Income			Unit: Billion Yen
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	Comments
Fibers and Textiles	106.8	<b>146.3</b>	+39.5 (+37.0%)	3.3	<b>3.7</b>	+0.4 (+13.1%)	Toray : Sales decreased, Income increased Japan : Sales increased Income increased Overseas: Sales increased Income decreased
Plastics and Chemicals	64.1	<b>83.8</b>	+19.7 (+30.7%)	2.4	<b>3.8</b>	+1.3 (+55.7%)	Toray : Sales decreased, Income decreased Japan : Sales increased Income increased Overseas: Sales increased Income increased
IT-related Products	41.4	<b>55.1</b>	+13.7 (+33.0%)	4.4	<b>6.2</b>	+1.8 (+40.2%)	Toray : Sales increased Income increased Japan : Sales increased Income increased Overseas: Sales increased Income remained at the same level
Housing and Engineering	19.4	<b>24.2</b>	+4.9 (+25.0%)	▲ 0.5	▲ <b>1.0</b>	-0.5 (-)	Toray : Sales decreased Income increased Japan : Sales increased Income decreased Overseas: Sales increased Income remained at the same level
Pharmaceuticals and Medical Products	11.3	<b>9.9</b>	-1.4 (-12.3%)	0.7	<b>0.0</b>	-0.7 (-95.7%)	Toray : Sales decreased Income decreased Japan : Sales decreased Income decreased Overseas: Sales decreased Income remained at the same level
New Products and Other Businesses	13.9	<b>16.8</b>	+2.9 (+20.8%)	1.1	<b>1.8</b>	+0.7 (+60.1%)	Toray : Sales increased Income increased Japan : Sales increased Income increased Overseas: Sales increased Income increased
(Carbon Fiber Composite Materials)	9.0	<b>11.2</b>	+2.3 (+25.4%)	1.0	<b>1.3</b>	+0.3 (+30.1%)	
Total	257.0	<b>336.2</b>	+79.2 (+30.8%)	11.4	<b>14.5</b>	+3.1 (+27.1%)	
Elimination & Corporate				0.0	<b>0.1</b>	+0.1	
Consolidated	257.0	<b>336.2</b>	+79.2 (+30.8%)	11.4	<b>14.6</b>	+3.2 (+27.8%)	

\*IT-related chemical products of Toray Fine Chemicals are displaced from the Plastics & Chemicals segment to IT-related Products segment from this first quarter.

Accordingly, those of the third quarter FY Mar/04 were also amended.

# Results by Business Segment (Fibers and Textiles)

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	
Toray	31.9	29.5	-2.4 (-7.5%)	1.3	1.5	+0.2 (+14.4%)	Although sales and income increased substantially through steady growth in industrial use and further improvement in profitability by product type, sales dropped due to internal sales increase by consolidation of Chori.
Japanese Subsidiaries	40.4	77.3	+37.0 (+91.6%)	0.7	1.9	+1.2 (+171.9%)	Sales and income increased by consolidation of Chori and sales expansion of trading companies.
Overseas Subsidiaries	34.6	39.5	+4.9 (+14.2%)	1.2	0.6	-0.7 (-53.9%)	Sales increased but income decreased due to sluggish business in a European subsidiary, etc.
Adjustment				0.0	▲ 0.3	-0.3	
Total	106.8	146.3	+39.5 (+37.0%)	3.3	3.7	+0.4 (+13.1%)	

## <Major Subsidiaries>

Japan : Toray International Inc., Ichimura Sangyo, Co., Ltd., Chori Co.,Ltd., etc.

Asia : PENFABRIC (Malaysia), LUCKYTEX (Thailand), ITS (Indonesia), TFNL (China), etc.

Europe & US : ALCANTARA (Italy), etc.

# Results by Business Segment (Plastics and Chemicals)

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	
Toray	22.1	20.5	-1.5 (-6.9%)	0.3	0.1	-0.2 (-67.4%)	Resins for automotives and electric parts applications and films for industrial use grew steadily, however, income decreased by the effect of soaring raw materials' prices. Chemicals sales decreased due to retreat from the unprofitable caprolactum export businesses.
Japanese Subsidiaries	19.4	35.3	+15.9 (+82.2%)	0.8	1.7	+0.9 (+106.7%)	Sales and income increased through good sales of a film processing subsidiary and the consolidation of Chori.
Overseas Subsidiaries	22.7	27.9	+5.3 (+23.2%)	1.3	1.5	+0.2 (+13.4%)	Despite the impact of soaring raw materials' prices, sales and income increased by each subsidiary's promotion of passing on raw materials' prices increase to selling prices and shift to profitable products.
Adjustment				▲ 0.0	0.5	+0.5	
Total	64.1	83.8	+19.7 (+30.7%)	2.4	3.8	+1.3 (+55.7%)	

## <Major Subsidiaries>

Japan : Toray Advanced Film Co., Ltd., Toray Fine Chemicals Co., Ltd., Soda Aromatic Co., Ltd., Chori Co.,Ltd., etc.

Overseas : TPA (US), TPM (Malaysia), TPEu (France), TSI (Korea), etc.

\*IT-related chemical products of Toray Fine Chemicals are displaced from the Plastics & Chemicals segment to IT-related Products segment from this first quarter.

Accordingly, those of the third quarter FY Mar/04 were also amended.

# Results by Business Segment (IT-related Products)

Unit: Billion Yen

	Net Sales			Operating Income				Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes		
Toray	17.8	19.4	+1.6 (+9.0%)	3.1	3.5	+0.4 (+14.0%)	Sales and income of IT-related resins / films, circuit materials, LCD color filters and others increased by rapid demand expansion of digital-related products.	
Japanese Subsidiaries	12.9	23.9	+11.0 (+85.0%)	1.0	2.3	+1.3 (+129.6%)	Sales and income increased drastically through sales expansion of equipment for LCD color filters (slit coaters) and the consolidation of Chori, etc.	
Overseas Subsidiaries	10.8	11.9	+1.1 (+10.3%)	0.4	0.4	+0.0 (+5.7%)	Sales and income increased in IT-related resin and film subsidiaries by demand expansion of digital-related products. Income decreased in a Korean circuit material-related subsidiary due to LCD panel maker's production adjustment.	
Adjustment				0.0	0.1	+0.1		
Total	41.4	55.1	+13.7 (+33.0%)	4.4	6.2	+1.8 (+40.2%)		

\*IT-related chemical products of Toray Fine Chemicals are displaced from the Plastics & Chemicals segment to IT-related Products segment from this first quarter.

Accordingly, those of the third quarter FY Mar/04 were also amended.

## <Major Subsidiaries>

Japan : Toray Engineering Co., Ltd., Toray Advanced Film Co., Ltd., etc.

Overseas : TPA (US), TPEu(France), TSI (Korea), etc.

# Results by Business Segment (Housing and Engineering)

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	
Toray	1.9	1.7	-0.3 (-13.9%)	▲ 0.3	▲ 0.2	+0.1 (-)	
Japanese Subsidiaries	17.4	22.0	+4.6 (+26.2%)	▲ 0.2	▲ 0.9	-0.7 (-)	Sales increased by consolidation of Chori and Suido Kiko but income decreased as most sales of a construction subsidiary and Suido Kiko are recorded in the fourth quarter.
Overseas Subsidiaries	0.0	0.6	+0.6 (138 time)	0.0	▲ 0.0	-0.0 (-)	
Adjustment				0.0	0.2	+0.2	
Total	19.4	24.2	+4.9 (+25.0%)	▲ 0.5	▲ 1.0	-0.5 (-)	

## <Major Subsidiaries>

Japan : Toray Construction Co., Ltd., Toray Engineering Co., Ltd., Toray ACE Co., Ltd., Suido Kiko Kaisha, Ltd., etc.

# Results by Business Segment (Pharmaceuticals and Medical Products)

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	
Toray	2.9	2.0	-0.8 (-28.5%)	0.3	▲ 0.1	-0.4 (-)	Sales and income decreased due to the price reduction of drugs and the intensified competition of the market.
Japanese Subsidiaries	7.7	7.2	-0.5 (-5.9%)	0.4	▲ 0.0	-0.4 (-)	Regardless of the sales expansion of medical products, sales and income decreased due to price reduction.
Overseas Subsidiaries	0.8	0.7	-0.1 (-16.0%)	0.0	0.0	-0.0 (-66.7%)	
Adjustment				0.0	0.1	+0.1	
Total	11.3	9.9	-1.4 (-12.3%)	0.7	0.0	-0.7 (-95.7%)	

**<Major Subsidiary>**

Japan : Toray Medical Co., Ltd.

# Results by Business Segment (New Products and Others)

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	3Q FY Mar/04	3Q FY Mar/05	Changes	3Q FY Mar/04	3Q FY Mar/05	Changes	
Toray	2.6	3.1	+0.5 (+20.5%)	0.7	0.9	+0.2 (+24.3%)	Sales and income increased mainly by growth of carbon fiber composite materials businesses.
Japanese Subsidiaries	6.3	7.6	+1.3 (+21.3%)	0.3	0.5	+0.2 (+59.1%)	Sales and income increased mainly through sales expansion of trading and service-related subsidiaries.
Overseas Subsidiaries	5.1	6.1	+1.0 (+20.1%)	0.1	0.5	+0.4 (+293.5%)	Sales and income increased by expansion of carbon fiber composite materials for aircraft and industrial applications.
Adjustment				▲ 0.0	▲ 0.1	-0.0	
<b>Total</b>	<b>13.9</b>	<b>16.8</b>	<b>+2.9 (+20.8%)</b>	<b>1.1</b>	<b>1.8</b>	<b>+0.7 (+60.1%)</b>	
(Carbon fiber composite materials)	9.0	11.2	+2.3 (+25.4%)	1.0	1.3	+0.3 (+30.1%)	

## <Major Subsidiaries>

Japan : Toray Research Center Inc., Toray Enterprise Corp., etc.

Overseas : SOFICAR (France), etc.



# Operating Income Factor Analysis

Unit: Billion Yen

<b>FY Mar/04 to FY Mar/05</b>	1Q	2Q	3Q	1Q~3Q total
Expansion of Advanced Materials and NVC* activities, Production & Sales Efficiency Improvement, Sales & Production Amount Increase, etc.	+5.4	+6.2	<b>+3.1</b>	+14.7
Achievement of "TC Project"(Reduction of Production Fixed Costs, Outsourcing Costs, Procurement and Logistics Costs, Overhead Costs, and Sales Expenses, Optimization of Head Count, etc.)	+1.5	+2.2	<b>+3.5</b>	+7.2
Influence of Appreciation of Selling Prices and Raw Material Costs, etc. (Net)	-0.2	-4.2	<b>-3.4</b>	-7.8
<b>Total</b>	<b>+6.7</b>	<b>+4.2</b>	<b>+3.2</b>	<b>+14.0</b>

<b>FY Mar/03 to FY Mar/04</b>	1Q	2Q	3Q	4Q	Total
Expansion of Advanced Materials and NVC* activities, Production & Sales Efficiency Improvement, Sales & Production Amount Increase, etc.	+5.8	+5.3	+5.5	+1.5	+18.1
Achievement of "TC Project"(Reduction of Production Fixed Costs, Outsourcing Costs, Procurement and Logistics Costs, Overhead Costs, and Sales Expenses, Optimization of Head Count, etc.)	+3.5	+3.0	+2.8	+3.0	+12.3
Influence of Appreciation of Selling Prices and Raw Material Costs, etc. (Net)	-4.1	-1.4	-1.9	+0.8	-6.6
<b>Total</b>	<b>+5.2</b>	<b>+6.9</b>	<b>+6.4</b>	<b>+5.2</b>	<b>+23.7</b>

\*NVC : New Value Creator

## **II. Consolidated Business Forecast for FY Ending March 2005**

# Forecast Summary

Unit: Billion Yen

	FY Mar/04 (Actual)	FY Mar/05 (Revised Forecast)	Changes	FY Mar/05 (Previous Forecast as of Nov.9/04)	Changes
Net Sales	1,088.5	<b>1,310.0</b>	+221.5 (+20.3%)	1,320.0	-10.0 (-0.8%)
Operating Income	56.8	<b>80.0</b>	+23.2 (+40.9%)	80.0	- (-)
Ordinary Income	51.6	<b>76.0</b>	+24.4 (+47.3%)	76.0	- (-)
Net Income	20.9	<b>33.0</b>	+12.1 (+57.8%)	39.0	-6.0 (-15.4%)

Expected Exchange Rate (Jan-Mar 2005) : 103 yen / US\$, 1.3 US\$ / Euro  
 Expected Oil Price : 38 US\$ / B (Dubai FOB)

# Forecast by Business Segment

## (1) Year-on-year Comparison

FY ending Mar/05

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	FY Mar/04 <Actual>	FY Mar/05 <Revised Forecast>	Changes	FY Mar/04 <Actual>	FY Mar/05 <Revised Forecast>	Changes	
Fibers and Textiles	424.8	<b>525.0</b>	+100.2 (+23.6%)	18.4	<b>21.0</b>	+2.6 (+14.3%)	Sales and income are expected to increase through price raise to cover raw materials' prices increase, shift to high-value-added products, promotion of corporate-structure reinforcement as well as the Chori consolidation effect.
Plastics and Chemicals	254.8	<b>300.0</b>	+45.2 (+17.7%)	9.2	<b>15.0</b>	+5.8 (+63.3%)	Sales and income are expected to increase through sales expansion of resins for automotives and electric parts and films for industrial use.
IT-related Products	177.8	<b>215.0</b>	+37.2 (+20.9%)	17.8	<b>28.5</b>	+10.7 (+59.9%)	Sales and income are expected to increase through business growth of IT-related resins and films, electronics materials, and IT-related equipments, etc.
Housing and Engineering	120.1	<b>150.0</b>	+29.9 (+24.9%)	1.7	<b>4.0</b>	+2.3 (+136.0%)	Sales and income are expected to increase through sales expansion, corporate-structure reinforcement of construction and engineering-related subsidiaries, and the consolidation effect of Suido Kiko.
Pharmaceuticals and Medical Products	47.9	<b>45.0</b>	-2.9 (-6.0%)	3.5	<b>2.5</b>	-1.0 (-28.8%)	Sales and income are estimated to fall due to price reduction and tough competition.
New Products and Other Businesses	63.1	<b>75.0</b>	+11.9 (+18.8%)	5.9	<b>9.0</b>	+3.1 (+53.4%)	Sales and income are expected to increase due to shift to high-value-added products of carbon fiber composite materials supported by its strong demand.
(Carbon Fiber Composite Materials)	37.3	<b>47.0</b>	+9.7 (+26.0%)	3.6	<b>6.0</b>	+2.4 (+68.0%)	
Total	1,088.5	<b>1,310.0</b>	+221.5 (+20.3%)	56.4	<b>80.0</b>	+23.6 (+41.7%)	
Elimination & Corporate				0.3		-0.3	
Consolidation	1,088.5	<b>1,310.0</b>	+221.5 (+20.3%)	56.8	<b>80.0</b>	+23.2 (+40.9%)	

\*IT-related chemical products of Toray Fine Chemicals are displaced from the Plastics & Chemicals segment to IT-related Products segment from this first quarter.

Accordingly, those of FY Mar/04 were also amended.

# Forecast by Business Segment

## (2) Comparison with Previous Forecast as of Nov.9/04

FY ending Mar/05

Unit: Billion Yen

	Net Sales			Operating Income			Comments
	FY Mar/05 <Previous Forecast as of Nov.9/04>	FY Mar/05 <Revised Forecast>	Changes	FY Mar/05 <Previous Forecast as of Nov.9/04>	FY Mar/05 <Revised Forecast>	Changes	
Fibers and Textiles	530.0	<b>525.0</b>	-5.0 (-0.9%)	21.5	<b>21.0</b>	-0.5 (-2.3%)	Sales were revised downward due to reduction of unprofitable products. Income also revised downward due to high price of raw materials.
Plastics and Chemicals	300.0	<b>300.0</b>	- (-)	14.0	<b>15.0</b>	+1.0 (+7.1%)	Thanks to demand growth, income was upwardly revised through price raise to cover raw materials cost increase and shift to high-value-added products.
IT-related Products	220.0	<b>215.0</b>	-5.0 (-2.3%)	29.0	<b>28.5</b>	-0.5 (-1.7%)	Sales and income were revised downward due to temporary inventory adjustment of digital-related products.
Housing and Engineering	150.0	<b>150.0</b>	- (-)	4.0	<b>4.0</b>	- (-)	
Pharmaceuticals and Medical Products	45.0	<b>45.0</b>	- (-)	3.0	<b>2.5</b>	-0.5 (-16.7%)	Income revised downward due to increase of development expenditures.
New Products and Other Businesses	75.0	<b>75.0</b>	- (-)	8.5	<b>9.0</b>	+0.5 (+5.9%)	Supported by its strong demand of carbon fiber composite materials businesses, income was revised upward through shift to high-value-added products.
(Carbon Fiber Composite Materials)	47.0	<b>47.0</b>	- (-)	5.6	<b>6.0</b>	+0.4 (+7.1%)	
Total	1,320.0	<b>1,310.0</b>	-10.0 (-0.8%)	80.0	<b>80.0</b>	- (-)	
Elimination & Corporate							
Consolidation	1,320.0	<b>1,310.0</b>	-10.0 (-0.8%)	80.0	<b>80.0</b>	- (-)	

# **III. Non-consolidated Business Forecast for FY Ending March 2005**

# Non-consolidated Forecast Summary

Unit: Billion Yen

	FY Mar/04 <Actual>	FY Mar/05 <Revised Forecast>	Changes	FY Mar/05 <Previous Forecast as of Nov.9/04>	Changes
Net Sales	458.8	<b>475.0</b>	+16.2 (+3.5%)	480.0	-5.0 (-1.0%)
Operating Income	24.0	<b>34.0</b>	+10.0 (+41.6%)	34.0	- (-)
Ordinary Income	30.9	<b>42.0</b>	+11.1 (+35.8%)	39.0	+3.0 (+7.7%)
Net Income	17.0	<b>11.0</b>	-6.0 (-35.3%)	21.0	-10.0 (-47.6%)

Descriptions of forecasted business results, estimates, expectations, and business plans for the Fiscal Year ending March 2005 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.