Consolidated Financial Statements Summary

(For the nine months ended December 31, 2013)
English translation from the original Japanese-language document
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

February 3, 2014

Company name : **TEIJIN LIMITED** (Stock code 3401) http://www.teijin.com
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(Amounts less than one million yen are omitted)

1. Highlight of the third quarter of FY2013 (April 1, 2013 through December 31, 2013)

(1) Consolidated financial results

(Percentages are year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the nine months ended December 31, 2013	578,216	6.5	9,678	-4.6	12,710	49.9	5,023	482.7
For the nine months ended December 31, 2012	543,095	-8.8	10,150	-66.6	8,477	-73.1	862	-94.3

cf. Comprehensive income :14,022million yen (FY2012: 8,078million yen)

	E.P.S. *1	Diluted E.P.S.
	Yen	Yen
For the nine months ended December 31, 2013	5.11	5.10
For the nine months ended December 31, 2012	0.88	0.87

*1 E.P.S.: Earnings per share

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of December 31, 2013	791,006	301,693	35.8
As of March 31, 2013	762,399	292,127	35.6

cf. Shareholders' equity : 283,309million yen(FY2012: 271,251million yen)

2. Dividends

	Dividends per share				
Period	1Q	2Q	3Q	4Q	Annual
	Yen	Yen	Yen	Yen	Yen
FY2012	–	2.00	–	2.00	4.00
FY2013	–	2.00	—		
FY2013 (Outlook)				2.00	4.00

Note: Revision of outlook for dividends in the third quarter: No

3. Forecast for operating results in the year ending March 31, 2014 (Fiscal 2013)

(Percentages are year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		E.P.S.
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2013	800,000	7.3	20,000	61.8	21,000	114.6	8,000	—	8.14

Note: Revision of outlook for fiscal 2013 consolidated operating results in the third quarter: Yes

Human Chemistry, Human Solutions

Appropriate Use of Forecasts and Other Information and Other Matters

All forecasts in this document are based on management's assumptions in light of information currently available and involve certain risks and uncertainties. Actual results to differ materially from these forecasts. For information on these forecasts, refer to "Qualitative Information on Outlook for Operating Results," beginning on page 6.

1. Qualitative Information and Financial Statements

Qualitative Information on Results of Operations

Analysis of Consolidated Results of Operations

Despite a gradual recovery in developed countries, economic growth worldwide lacked strength in the nine months ended December 31, 2013, reflecting waning growth in emerging economies. In Japan, signs of recovery increased, against a backdrop of firm domestic demand and yen depreciation, but a self-sustained recovery remained elusive as the pace of improvement continued to vary in different industries and businesses.

In this environment, consolidated net sales rose 6.5%, to ¥578.2 billion, spurred by the weakening of the yen against other currencies. In contrast, operating income fell 4.6%, to ¥9.7 billion, as a deterioration of the supply–demand situation and increasingly fierce competition hampered results in the Electronics Materials and Performance Polymer Products segment. Ordinary income climbed 49.9%, to ¥12.7 billion, bolstered by the positive impact of an adjustment for tax effect accounting on the results of equity method affiliates. Net income soared 482.7%, to ¥5.0 billion, owing to the impact of extraordinary items, which included a gain on sales of investment securities and an impairment loss on fixed assets. Net income per share was ¥5.11, up ¥4.24 from the corresponding period of the previous fiscal year.

Business Segment Results

Advanced Fibers and Composites
Sales in the Advanced Fibers and Composites segment totaled ¥88.8 billion, while operating income was ¥3.3 billion.

High-Performance Fibers
Demand recovered, led by that for automotive applications.

Although sales of *Twaron* para-aramid fibers were steady for use in fiber optic cables and for automotive applications, demand for use in ballistic protection products and protective clothing remained lackluster, while pricing competition intensified. Demand for *Technora* para-aramid fibers was stable in Japan for automotive applications, while the weakening of the yen improved the profitability of exports. *Teijinconex* meta-aramid fibers benefited from firm demand for industrial applications, while demand for use in filters expanded despite mounting competition. In polyester fibers for industrial applications, sales were solid for automotive and certain other applications and favorable for use in personal hygiene products and bedding. We also took steps to enhance our ability to provide solutions, including developing an ultralight ceiling material made with *V-La*p, a vertically lapped nonwoven fabric. In the People’s Republic of China (PRC), our polyester recycling joint venture in Zhejiang Province pushed ahead with the construction of a new facility in preparation for the start of operations in fiscal 2014.

In this environment, we resolved to commercialize a new type of meta-aramid fiber offering superior heat resistance and dyeability and proceeded with preparations to begin production in Thailand in July 2015. Against a background of increasingly stringent regulations pertaining to heat-resistant materials and environmental safety, we will focus on expanding our business in promising Asian markets and emerging economies.

Carbon Fibers and Composites
Sales for principal applications were encouraging.

Demand for *TENAX* carbon fibers remained encouraging for use in aircraft, while among general industrial applications demand for use in pressure vessels for natural gas–related applications was favorable, supported by the expansion of shale gas development in North America. However, demand for other applications continued to languish, reflecting the uncertain economic outlook in Europe and the PRC. Sales prices, low since early 2013, showed signs of recovering, although the outlook remained difficult to gauge, owing to sales offensives by other manufacturers, particularly late market entrants overseas. In this environment, steps aimed at strengthening our operations in promising Asian markets, notably India and the Association of Southeast Asian Nations (ASEAN) region—which began with the establishment in July 2013 of Toho Tenax Singapore Ptd. Ltd.—proceeded smoothly.

Efforts to build our thermoplastic carbon fiber-reinforced plastic (CFRP) into a major new business, including development and commercialization for use in components for mass-produced vehicles, continued to progress well. Of note, the Teijin Composites Innovation Center—a facility in Matsuyama, Ehime Prefecture, that spearheads research in the area of advanced composite materials—sought to cultivate markets for the material, which is marketed under the brand name *Sereebo*, an acronym for "save the earth, revolutionary and evolutionary carbon." In particular, we continued working to carve out markets for automotive and general industrial applications. Underscoring its revolutionary nature, *Sereebo* was chosen by Nikon Corporation for the structural components of its D5300 digital single-lens reflex (SLR) camera, released in October 2013, and will also be used in the company's new D3300 camera, scheduled for launch in February 2014.

Going forward, we will further capitalize on the ability of CFRP to reduce the weight of finished products to promote the use of *Sereebo* in structural components for mass-produced vehicles, which we see as a significant latent market. To this end, our thermoplastic CFRP pilot plant, situated within the Matsuyama Plant, and the Teijin Composites Application Center, located in Metro Detroit, in the United States, continue to collaborate and are making steady progress toward the development of specific components and the establishment of mass-production procedures on both fronts.

Electronics Materials and Performance Polymer Products
The Electronics Materials and Performance Polymer Products segment reported sales of ¥136.3 billion and an operating loss of ¥4.5 billion.

Resin and Plastics Processing
Demand for polycarbonate resin flagged, while sales of high-performance polycarbonate resin were brisk.

Pricing competition in the market for mainstay polycarbonate resin intensified, reflecting sagging demand—a consequence of unrelenting economic stagnation in Europe and decelerating growth in the PRC—and the impact of inventory adjustments by competitors in Europe and North America. Inthis environment, we sought to preserve our market share through flexible pricing. While demand for use in copiers and other office equipment was comparatively firm, both *Panlite* and *Multilon* struggled as sales for use in compact digital cameras flagged.

In the area of high-performance polycarbonate resin, sales were steady for use in lenses for onboard vehicle cameras, as well as in lenses for mobile phone cameras in Taiwan and the PRC, while use in new smartphones continued to expand. In processed plastics products, sales of *Panlite Sheet* were encouraging for use in automotive applications, including construction equipment cabin roofs and automotive instrument panels.

We pressed forward with the realignment of our Singapore plant's production configuration, a move undertaken as part of our program of business restructuring initiatives and in response to the deterioration of the facility's profitability. We also established new sales bases in Thailand and in interior provinces in the PRC and accelerated efforts to secure demand in key Asian markets and further expand sales in the region.

Films

Cost competitiveness was reinforced by the reorganization of our domestic polyethylene terephthalate (PET) film production facilities.

We have a number of polyester films joint ventures with E.I. du Pont de Nemours and Company (DuPont) of the United States around the world. In the area of products for electronics applications, demand for use in smartphones and tablet computers remained lively, supporting brisk sales of products used in electronics components, including release films for manufacturing processes. Owing to a glut of liquid crystal displays (LCDs) in the market and resulting inventory adjustments, competition with overseas manufacturers of films for use in LCD televisions grew increasingly fierce, further driving down sales prices. Sales of films for specialized packaging and for magnetic applications slumped late in the period. In this environment, we took steps to restore cost competitiveness, including suspending operations on the PET film line at our domestic joint venture's Ibaraki factory and integrating the company's other production facilities. Looking ahead, we will focus on further enhancing our ability to compete on both the quality and cost fronts, particularly in the area of release films for manufacturing processes, thereby positioning us to strengthen collaboration with customers, as well as to broaden marketing.

Overseas, results in the United States flagged, as the impact of the plunge in demand exceeded that of cost reductions. In contrast, sales in Europe were solid for packaging and general industrial applications. With demand in the PRC steady, despite the impact of facility expansion by local manufacturers, which amplified competition, we sought to maintain profitability at the current level by leveraging our superior quality control capabilities.

Healthcare

Sales in the Healthcare segment came to ¥101.4 billion, while operating income was ¥17.3 billion.

Pharmaceuticals

Sales of our novel treatment for hyperuricemia and gout expanded favorably.

The operating environment in Japan remained harsh, owing to the launch of rival products and rising sales of generic drugs. Despite overall market conditions, sales of hyperuricemia and gout treatment *Feburic* (febuxostat)—the first novel drug in this field in four decades—strengthened, capturing the top share of the domestic market for such treatments. We also continued working to achieve further market penetration for osteoporosis treatment *Bonalon*®* by adding new formulations to our lineup, which includes Japan's first intravenous- and jelly-form osteporosis drugs.

Sales of febuxostat also continued to expand favorably overseas. We have secured exclusive distributorship agreements for febuxostat covering 117 countries and territories, in 34 of which the drug is currently being sold. We are in the process of obtaining regulatory approval to sell the drug in the remaining 83 countries and territories.

* *Bonalon*® is the registered trademark of Merck Sharp & Dohme Corp., Whitehouse Station, NJ, U.S.A.

In R&D, we commenced clinical trials in Japan for ADC3680 (development code: PTR-36)—a treatment for bronchial asthma licensed in from U.K. firm Pulmagen Therapeutics (Asthma) Limited in fiscal 2012—in June 2013. We also proceeded with clinical trials for KTP-001†, a treatment for herniated lumbar discs, which began in 2013 in the United States, as well as for new indications for existing drugs. Also in June, we concluded a drug discovery contract and an R&D and marketing option agreement with Amgen Inc. of the United States for novel treatments for autoimmune diseases. Initially, we will collaborate with Amgen in research aimed at discovering truly groundbreaking new drugs.

Home Healthcare

Rental volumes remained high or increased.

We currently provide home healthcare services to approximately 430,000 individuals in Japan and overseas. In Japan, rental volume for mainstay therapeutic oxygen concentrators for home oxygen therapy (HOT) remained firm, thanks to the release of new therapeutic oxygen concentrator models *Hi-Sanso* 3S and *Hi-Sanso Portable* α (alpha). Rental volume for continuous positive airway pressure (CPAP) ventilators for the treatment of sleep apnea syndrome (SAS) rose favorably, augmented by the launch of *NemLink*, a monitoring system for CPAP ventilators that uses mobile phone networks and which also provides pertinent data to medical care facilities to enhance the effectiveness of treatment. The rental markets for our noninvasive positive pressure ventilators (NPPVs) (the *NIP NASAL* series and *AutoSet* CS) and for *SAFHS* (Sonic Accelerated Fracture Healing System) also rose encouragingly. To fortify support services for individuals, we established a new home healthcare call center in Osaka. This is our second such facility—the first is in Fukuoka—and has greatly improved our ability to respond to patient needs. In April 2013, we launched the *WalkAide* System, a neuromuscular electrical stimulation device for the treatment of gait impairment resulting from stroke. Going forward, we will gradually broaden marketing of this device, which currently focuses on medical institutions in the Tokyo metropolitan area, with the goal of boosting rentals.

Overseas, we currently provide home healthcare services in the United States, Spain and the Republic of Korea (ROK). In the period under review, operating conditions remained harsh in the United States, a consequence of healthcare system changes and ensuing declines in medical treatment fees and other factors.

Trading and Retail

The Trading and Retail segment yielded sales of ¥186.9 billion, while operating income was ¥3.4 billion. During the period, efforts to showcase our comprehensive strengths highlighted our ability to propose solutions that capitalize on our integrated capabilities.

In the fiber materials and apparel business, exports of textiles for use in fashion apparel and sportswear were robust to Europe and North America. We also stepped up marketing of the *Delta* and *TRIPLE DRY CARAT* series of state-of-the-art high-performance materials developed for leading sportswear manufacturers worldwide, both of which earned high marks from customers.

In textiles and apparel, sales in our mainstay OEM business were up in all product categories, as shipments in early autumn remained favorable, although yen depreciation and higher wages combined to squeeze profitability.

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† KTP-001 was discovered and is under development by Teijin Pharma Limited and Kaketsuken (The Chemo-Sero-Therapeutic Research Institute), a general incorporated foundation, based on an enzyme engineered by Professor Hirotaka Haro of the University of Yamanashi's Graduate School of Medicine and Engineering Advanced Medical Science and Dr. Hiromichi Komori, assistant head of the Department of Orthopaedic Surgery at Yokohama City Minato Red Cross Hospital.

In industrial textiles and materials, demand for materials for use in tires, transmission belts and hoses remained healthy, as production levels at domestic automakers remained solid, shored up by the weak yen. In general-purpose materials, sales of materials for agricultural, fisheries and civil engineering–related applications were robust, as were sales of nonwoven fabrics. Shipments of interior materials and films and plastics slackened, a consequence of lackluster market conditions.

In November 2013, subsidiary Teijin Frontier Limited, which marked the first anniversary of its establishment around the same time, staged its third comprehensive exhibition. This event showcased a wider variety of items than the first two, underscoring the Trading and Retail Business Group's key strengths, including its broad portfolio of materials, product development prowess, wealth of production and processing technologies and extensive supply chain, and encouraging customer and market appreciation for the broad synergies realized through the integration of its materials development and OEM manufacturing capabilities.

Others

Others, which does not qualify as a reportable operating segment, generated sales of ¥64.9 billion and an operating loss of ¥0.9 billion.

In the IT business, sales from the distribution of e-books expanded, contributing to firm sales in the net services category. With the intention of creating an operating structure capable of supporting the further expansion of this business, we spun off the net services operations of subsidiary Infocom Corporation into a separate company called Amutus Corporation. We also took steps to bolster our share of the healthcare-related information services market, including acquiring the medical radiology information systems business of AJS Inc. and commencing sales of a cloud-based sales support system in collaboration with Mythos Co., Ltd., a leading developer of such systems for pharmaceuticals manufacturers.

In the polyester raw materials and polymerization business, we resolved to discontinue in-house production of paraxylene (PX), in light of a disruption of the supply–demand balance, which has hampered profitability, in a bid to reduce costs, notably fixed costs.

In new business development, we responded to rapidly increasing wastewater treatment needs in the PRC by expanding our operations in that country, which are anchored by Teijin (Shenyang) Environmental Technologies Co., Ltd. On another front, we sought to expand capacity for our *LIELSORT* lithium-ion battery (LiB) separators, production of which began in fiscal 2012, at our LIB separator production facility in the ROK, positioning us to capitalize on rapidly increasing demand for these separators, which have already been adopted for use by multiple battery manufacturers, in promising Asian markets. We also moved ahead with efforts to commercialize nanosilicon inks, used in printable electronics; *BIOFRONT*, a highly heat-resistant bioplastic, which is attracting increased attention for use in shale gas and petroleum extraction; and advanced medical materials, including those for tissue repair and drug delivery systems.

Qualitative Information on Financial Position

Analysis of Assets, Liabilities and Net Assets

Total assets as of December 31, 2013, amounted to ¥791.0 billion, up ¥28.6 billion from the end of fiscal 2012, as the weaker yen enhanced the value of assets denominated in other currencies. Stock purchases and other factors pushed up the value of investment securities, while seasonal factors underscored higher inventories. Cash and time deposits and trade notes and accounts receivable declined.

Total liabilities, at ¥489.3 billion, were up ¥19.0 billion from the fiscal 2012 year-end. Interest-bearing debt, which includes short-term loans payable and long-term loans payable, rose ¥26.1 billion, to ¥296.9 billion, mainly a result of an increase in the yen value of outstanding debt denominated in other currencies, owing to the depreciation of the yen.

Total net assets advanced ¥9.6 billion, to ¥301.7 billion. Shareholders' equity and total valuation and translation adjustments together represented ¥283.3 billion of the total, up ¥12.1 billion. This increase—which occurred despite the impact of cash dividends paid—was attributable to, among others, an increase in net income and a sharp decline in the deduction for foreign currency translation adjustments, the latter due to the weakening of the yen.

Qualitative Information on Outlook for Operating Results

Outlook for Fiscal 2013

Forecast for Operating Results

(Billions of yen/%)

	Net sales	Operating income	Ordinary income	Net income (loss)
Fiscal 2013 (forecast)	¥800.0	¥20.0	¥21.0	¥ 8.0
Fiscal 2012	745.7	12.4	9.8	(29.1)
Change	+54.3	+7.6	+8.2	+37.1
Percentage change	+7%	+62%	+84%	—

Global economic conditions remain on a gentle upswing, led by gains in developed economies. Nonetheless, with improvements backed largely by government economic stimulus measures, instability persists. In emerging economies, concerns linger that slowing growth will expose further structural weaknesses.

Given this outlook, we have taken decisive steps over the past year to rebuild our earnings base. In particular, we have enhanced our cost competitiveness by implementing global business restructuring initiatives. Of note, we have realigned production configurations, particularly in our materials businesses, slashed selling, general and administrative expenses through the reorganization of our head office and promoted ongoing Groupwide efforts to reduce costs. These measures are gradually yielding positive results.

In light of these and other factors, we forecast consolidated net sales of ¥800.0 billion and operating income of ¥20.0 billion, both of which are unchanged from our previous forecasts announced in November 2013. Reflecting the positive impact of an adjustment for tax effect accounting on the results of equity method affiliates, we have revised our forecast for ordinary income up to ¥21.0 billion, from our previous forecast of ¥18.0 billion. However, owing to impairment losses on fixed assets, our net income forecast is unchanged at ¥8.0 billion. These forecasts assume exchange rates of ¥100 to US$1.00 and ¥133 to €1.00 and a Dubai crude oil price of US$104 per barrel.

In addition to realizing the full benefits of business restructuring initiatives implemented to date, we will focus on accelerating current measures. In line with our medium- to long-term vision, we will also continue implementing essential basic strategies designed to transform our four fundamental portfolios—business, geographic, technology and human resources—and to create new value for customers through the evolution of our business model. In these and all our efforts, we pledge to work together, guided by our “One Teijin” slogan, to maximize Group strengths.

Forecast for Segment Results for Fiscal 2013

(Billions of yen)

	Net sales		Operating income (loss)	
	1Q–3Q	Full term (Forecast)	1Q–3Q	Full term (Forecast)
Advanced Fibers and Composites	¥ 88.8	¥ 130.0	¥ 3.3	¥ 5.5
Electronics Materials and Performance Polymer Products	136.3	180.0	(4.5)	(5.0)
Healthcare	101.4	145.0	17.3	25.0
Trading and Retail	186.9	255.0	3.4	5.5
Total	513.3	710.0	19.6	31.0
Others	64.9	90.0	(0.9)	2.5
Elimination and corporate	—	—	(9.0)	(13.5)
Consolidated total	¥578.2	¥800.0	¥ 9.7	¥ 20.0

2. Other Information

Changes in significant subsidiaries during the period under review:

Effective from the first quarter of fiscal 2013, as a result of an absorption-type merger implemented as part of a realignment of the Teijin Group, consolidated subsidiary Teijin Chemicals Limited was dissolved and is thus excluded from the scope of consolidation. Effective from the third quarter of fiscal 2013, TS Aromatics Limited was liquidated and is thus excluded from the scope of consolidation.

Adoption of special quarterly accounting methods:

Certain of the Company's consolidated subsidiaries have adopted a method for estimating in practical terms the effective tax rate for the fiscal year, including for the first, second and third quarters, following the application of tax effect accounting to income before income taxes, and multiplying this by quarterly income before income taxes to estimate quarterly tax expense.

Changes in accounting principles, procedures and presentation methods:

Change in method used to account for rental home healthcare devices

Up to and including fiscal 2012, certain of the home healthcare devices that the Company rents were recognized in expenses at the time of rental. However, effective from fiscal 2013 the Company recognizes these devices as fixed assets and depreciates them using the straight-line method. The Company anticipates rapid growth in the market for CPAP ventilators for the treatment of SAS and has established a business configuration capable of responding to such growth. In light of these factors, having considered what accounting method would most appropriately reflect the stable environment for use of its core CPAP ventilators at present and in the future, the Company resolved to treat these devices as fixed assets and to depreciate them using the straight-line method, which it uses to depreciate its other home healthcare devices. As a result of this change, consolidated operating income, ordinary income and income before income taxes for the nine months ended December 31, 2013, were each ¥1,551 million higher than would have been the case had the previous method of depreciation been used.

3. Financial Statements
(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
< Assets >		
Current assets		
Cash and time deposits	48,858	34,968
Trade notes and accounts receivable	169,015	165,235
Finished goods	74,110	90,599
Work in process	9,468	10,055
Raw materials and supplies	28,054	33,620
Other current assets	46,408	53,880
Allowance for doubtful receivables	(3,659)	(2,744)
Total	**372,255**	**385,615**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	70,359	70,017
Machinery and equipment, net	101,287	96,683
Other, net	73,209	75,672
Total	**244,856**	**242,373**
Intangible assets		
Goodwill	18,104	16,696
Other	15,571	15,556
Total	**33,676**	**32,252**
Investments and other assets		
Investment securities	64,796	84,223
Other	49,154	49,754
Allowance for doubtful receivables	(2,339)	(3,213)
Total	**111,611**	**130,764**
Total non-current assets	**390,143**	**405,391**
Total assets	**762,399**	**791,006**

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
< Liabilities >		
Current liabilities		
Trade notes and accounts payable	91,875	93,487
Short-term loans payable	67,326	90,769
Current portion of long-term loans payable	52,389	34,911
Current portion of bonds	16,996	2,004
Income taxes payable	2,890	832
Other	57,801	50,058
Total	**289,281**	**272,063**
Non-current liabilities		
Bonds payable	30,000	30,000
Long-term loans payable	102,247	137,387
Provision for retirement benefits	20,351	22,433
Other	28,391	27,429
Total	**180,990**	**217,250**
Total liabilities	**470,271**	**489,313**
<Net assets>		
Shareholders' equity		
Capital stock	70,816	70,816
Capital surplus	101,407	101,423
Retained earnings	107,328	108,421
Treasury stock	(415)	(432)
Total	**279,137**	**280,229**
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,550	12,677
Deferred gains on hedges	1,069	1,759
Foreign currency translation adjustment	(22,505)	(11,357)
Total	**(7,885)**	**3,079**
Subscription rights to shares	**649**	**615**
Minority interests	**20,226**	**17,768**
Total net assets	**292,127**	**301,693**
Total liabilities and net assets	**762,399**	**791,006**

(2) Consolidated Statements of Income

(Millions of yen)

	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Net sales	**543,095**	**578,216**
Cost of sales	401,394	437,367
Gross profit	**141,701**	**140,849**
Selling, general and administrative expenses	131,551	131,170
Operating income	**10,150**	**9,678**
Nonoperating revenues		
Interest income	308	379
Dividends income	748	805
Equity in earnings of affiliates	573	3,649
Gain on valuation of derivatives	1,390	1,897
Miscellaneous income	896	1,113
Total	3,917	7,845
Nonoperating expenses		
Interest expenses	2,569	2,589
Foreign exchange losses	911	188
Miscellaneous loss	2,109	2,036
Total	5,590	4,814
Ordinary income	**8,477**	**12,710**
Extraordinary income		
Gain on sales of noncurrent assets	938	178
Gain on sales of investment securities	30	8,166
Gain on revision of retirement benefit plan	418	—
Other	286	461
Total	1,674	8,806
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	760	865
Loss on valuation of investment securities	771	83
Impairment loss	690	6,417
Restructuring costs	40	1,750
Flood-related expenses	251	—
Other	784	1,286
Total	3,298	10,403
Income before income taxes	**6,852**	**11,113**
Income taxes	5,466	**8,046**
Income before minority interests	**1,386**	**3,066**
Minority interests in income (loss)	523	(1,956)
Net income	**862**	**5,023**

(Consolidated Statements of Comprehensive Income)

(Million yen)

	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Income before minority interests	**1,386**	**3,066**
Other comprehensive income		
Valuation difference on available-for-sale securities	1,137	(872)
Deferred gains on hedges	872	691
Foreign currency translation adjustment	4,273	10,175
Share of other comprehensive income of associates accounted for using the equity method	408	961
Total	**6,692**	**10,955**
Comprehensive income	**8,078**	**14,022**
Breakdown of comprehensive income:		
Comprehensive income attributable to owners of the parent	7,495	15,989
Comprehensive income attributable to minority interests	582	(1,966)

(3) Notes Pertaining to Going Concern Assumption

No

(4) Notes on Significant Changes in Shareholders' Equity

No

(5) Segment Information, etc.

I. Outline of segments

The Company's reportable operating segments are components of an entity for which separate financial information is available and evaluated regularly by its chief decision-making authority in determining the allocation of management resources and in assessing performance. The Company currently divides its operations into business groups, based on type of product, nature of business and services provided. The business groups formulate product and service strategies in a comprehensive manner in Japan and overseas.

Accordingly, the Company divides its operations into four reportable operating segments on the same basis as it uses internally: Advanced Fibers and Composites (comprising High-Performance Fibers and Carbon Fibers and Composites); Electronics Materials and Performance Polymer Products (comprising Polycarbonate Resin and Plastics Processing, and Films); Healthcare; and Trading and Retail.

Within the Advanced Fibers and Composites segment, the High-Performance Fibers business encompasses the production and sale of advanced aramid fibers and polyester fibers for industrial applications, and the Carbon Fibers and Composites business includes the production and sales of carbon fibers and composites. Within the Electronics Materials and Performance Polymer Products segment, the Polycarbonate Resin and Plastics Processing business involves the production and sale of polycarbonate resin, other resins and resin products, while the Films business includes the production and sales of polyester films. Healthcare encompasses the production and sales of pharmaceuticals, the production and rental of home healthcare devices and the provision of home healthcare services. Trading and Retail focuses on the planning, OEM production and trading and retail of polyester filaments, other fibers and polymer products.

II. FY12 3Q results (Apr. 2012 – Dec. 2012)

1. Segment sales and operating income (loss)

(Millions of yen)

	Reportable operating segments					Others*	Total
	Advanced Fibers and Composites	Electronics Materials and Performance Polymer Products	Healthcare	Trading and Retail	Subtotal		
Sales							
1) External customers	77,949	131,476	100,022	176,507	485,955	57,140	543,095
2) Intersegment transactions or transfers	17,546	4,483	0	2,466	24,495	31,974	56,470
Net sales	95,495	135,959	100,022	178,973	510,451	89,115	599,566
Segment income (loss)	(1,703)	1,067	16,413	3,675	19,452	1,363	20,815

* "Others," which includes the polyester raw materials and polymerization business and the IT business, does not qualify as a reportable operating segment.

2. Difference between operating income and sum of operating income (loss) in reportable operating segments

(Adjustment) (Millions of yen)

Operating income (loss)	Amount
Total reportable operating segments	19,452
Others segment	1,363
Elimination of intersegment transactions	124
Corporate expenses*	(10,790)
Operating income	10,150

* Corporate expenses are expenses that cannot be allocated to individual reportable operating segments and are primarily related to basic research and head office administration.

3. Loss on impairment and goodwill by reportable operating segments
No

III.FY13 3Q results (Apr. 2013 − Dec. 2013)
1. Segment sales and operating income (loss)

(Millions of yen)

	Reportable operating segments					Others*	Total
	Advanced Fibers and Composites	Electronics Materials and Performance Polymer Products	Healthcare	Trading and Retail	Subtotal		
Sales							
1) External customers	88,754	136,274	101,392	186,892	513,314	64,901	578,216
2) Intersegment transactions or transfers	20,229	3,855	—	3,225	27,310	17,003	44,313
Net sales	108,984	140,130	101,392	190,118	540,625	81,904	622,529
Segment income (loss)	3,303	(4,502)	17,330	3,447	19,579	(868)	18,711

* "Others," which includes the polyester raw materials and polymerization business and the IT business, does not qualify as a reportable operating segment.

2. Difference between operating income and sum of operating income (loss) in reportable operating segments

(Adjustment) (Millions of yen)

Operating income (loss)	Amount
Total reportable operating segments	19,579
Others segment	(868)
Elimination of intersegment transactions	182
Corporate expenses*	(9,214)
Operating income	9,678

* Corporate expenses are expenses that cannot be allocated to individual reportable operating segments and are primarily related to basic research and head office administration.

3. Changes to reportable operating segments
Material impairment of fixed assets
In the nine months ended December 31, 2013, the Electronics Materials and Performance Polymer Products and Others segments reported losses on impairment of ¥5,448 million and ¥966 million, respectively.
There was no material change in the amount of goodwill and no material gain on negative goodwil.

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Supplementary Information

1. Movement of consolidated results

(1) Movement of results

(Billions of yen)

	FY2012 1Q	FY2012 2Q	FY2012 3Q	FY2012 4Q	FY2013 1Q	FY2013 2Q	FY2013 3Q
Net sales	174.3	183.9	184.8	202.6	183.5	198.3	196.4
Operating income	3.0	4.4	2.8	2.2	1.8	3.4	4.5
Ordinary income	2.2	2.7	3.6	1.3	1.6	2.5	8.6
Net income (loss)	(1.6)	1.0	1.5	(30.0)	0.2	4.3	0.4

(2) Movement of industrial segment information

(Billions of yen)

	FY2012 1Q	FY2012 2Q	FY2012 3Q	FY2012 4Q	FY2013 1Q	FY2013 2Q	FY2013 3Q
Net sales							
Advanced Fibers and Composites	26.1	26.6	25.2	33.2	28.2	30.2	30.4
Electronics Materials and Performance Polymer Products	43.7	44.7	43.0	44.1	44.3	47.0	44.9
Healthcare	31.2	33.1	35.7	38.3	31.5	33.3	36.6
Trading and Retail	54.9	60.8	60.9	60.7	57.1	63.8	66.0
Total	156.0	165.2	164.8	176.2	161.1	174.4	177.9
Others	18.4	18.7	20.0	26.4	22.4	23.9	18.6
Consolidated total	174.3	183.9	184.8	202.6	183.5	198.3	196.4
Operating income (loss)							
Advanced Fibers and Composites	(0.3)	0.6	(2.0)	(3.0)	0.2	2.2	0.9
Electronics Materials and Performance Polymer Products	1.6	(0.1)	(0.4)	(3.0)	(0.2)	(2.4)	(1.8)
Healthcare	3.8	5.5	7.1	8.4	4.6	4.8	8.0
Trading and Retail	0.7	1.4	1.5	1.0	0.6	1.8	1.1
Total	5.8	7.4	6.2	3.5	5.2	6.3	8.2
Others	0.4	0.2	0.8	2.9	(0.0)	(0.3)	(0.5)
Elimination & corporate	(3.2)	(3.2)	(4.3)	(4.1)	(3.3)	(2.6)	(3.1)
Consolidated total	3.0	4.4	2.8	2.2	1.8	3.4	4.5

2. Capital expenditure, depreciation & amortization expenses and research & development expenses (consolidated)

(Billions of yen)

	FY2010 (Actual)	FY2011 (Actual)	FY2012 (Actual)	FY2013 3Q (Actual)	FY2013 (Outlook)
Capital expenditure:					
CAPEX for tangible assets	25.3	28.3	33.1	19.0	34.0
Total	29.2	32.3	36.3	21.0	38.0
Depreciation & amortization*	56.4	52.3	46.9	34.0	45.0
Research & development	31.5	31.8	33.2	23.9	34.0

* Depreciation and amortization includes amortization of goodwill.

3. Foreign Exchange Rate

(1) BS exchange rate for overseas subsidiaries (End of fiscal year)

	FY2011 (Actual)	FY2012 (Actual)	FY2013 3Q (Actual)	FY2013 (Outlook)
JPY/US$	82	94	105	100
US$/EUR	1.34	1.28	1.38	1.35

(2) PL exchange rate for overseas subsidiaries (Average of fiscal year)

	FY2011 (Actual)	FY2012 (Actual)	FY2013 3Q (Actual)	FY2013 (Outlook)
JPY/US$	80	83	99	100
US$/EUR	1.38	1.29	1.33	1.34

4. Sales of principal pharmaceuticals

(Billions of yen)

Products	Indication	FY2011 (Actual)	FY2012 (Actual)	FY2013 1Q–3Q (Actual)
Bonalon ®	Osteoporosis	20.5	15.9	11.0
Feburic ®	Hyperuricemia and gout	0.9	5.5	7.8
Venilon ®	Severe infectious diseases	9.4	9.9	7.5
Mucosolvan ®	Expectorant	9.9	9.0	6.0
Onealfa ®	Osteoporosis	11.1	7.9	5.1
Laxoberon ®	Laxative	4.2	4.0	2.8
Tricor ®	Hyperlipidemia	1.5	1.8	1.3
Bonalfa ®	Psoriasis	1.4	1.4	1.0
Alvesco ®	Asthma	1.3	1.3	0.9
Synvisc ®	Osteoarthritis pain in the knee	1.7	1.2	0.6
Spiropent ®	Bronchodilator	1.0	0.9	0.6

5. Development status of new pharmaceuticals

(As of December 31, 2013)

Products	Indication	Stage
ITM-014 (*Somatuline* ®)	Acromegaly, Pituitary Gigantism	Commenced sales in Japan in January, 2013
GTH-42J (*Bonalon* ®)	Osteoporosis	Commenced sales in Japan in March, 2013
GGS-ON (*Venilon* ®)	Optic neuritis	Ph III
GGS -MPA(*Venilon* ®)	Microscopic PolyAngitis	Ph III
GGS -CIDP(*Venilon* ®)	Chronic inflammatory demyelinating polyneuropathy	Ph III
TMX-67TLS(*Feburic* ®)	Tumor lysis syndrome	Ph III
TMX-67	Hyperuricemia and gout	Ph III (PRC)
ITM-014 (*Somatuline* ®)	Neuroendocrine tumor	Ph II
ITM-058	Osteoporosis	Ph II
KTP-001	Treatment for lumbar disc herniation	Ph I / II (US)
NA872ET (*Mucosolvan* ®)	Expectorant	Ph I
TMG-123	TypeII Diabetes	Ph I
PTR-36	Bronchial asthma	Ph I

* *Bonalon* ® is the registered trademark of Merck Sharp & Dohme Corp., Whitehouse Station, NJ, USA.

* *Somatuline* ® is the registered trademark of Ipsen Pharma, Paris, France.

* KTP-001 was discovered and is under development by Teijin Pharma Limited and Kaketsuken (The Chemo-Sero-Therapeutic ResearchInstitute), a general incorporated foundation, based on an enzyme engineered by Professor Hirotaka Haro of the University ofYamanashi's Graduate School of Medicine and Engineering Advanced Medical Science and Dr. Hiromichi Komori, assistant head of theDepartment of Orthopaedic Surgery at Yokohama City Minato Red Cross Hospital.