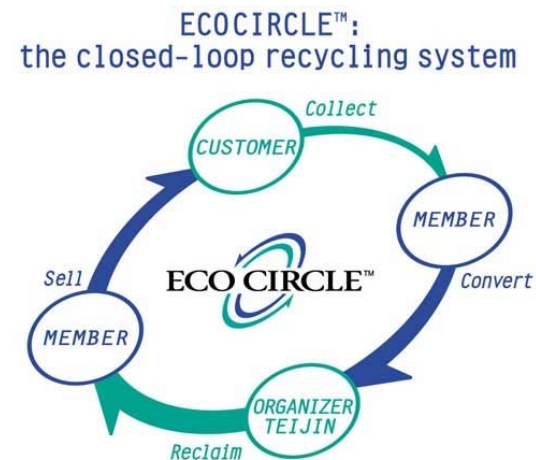
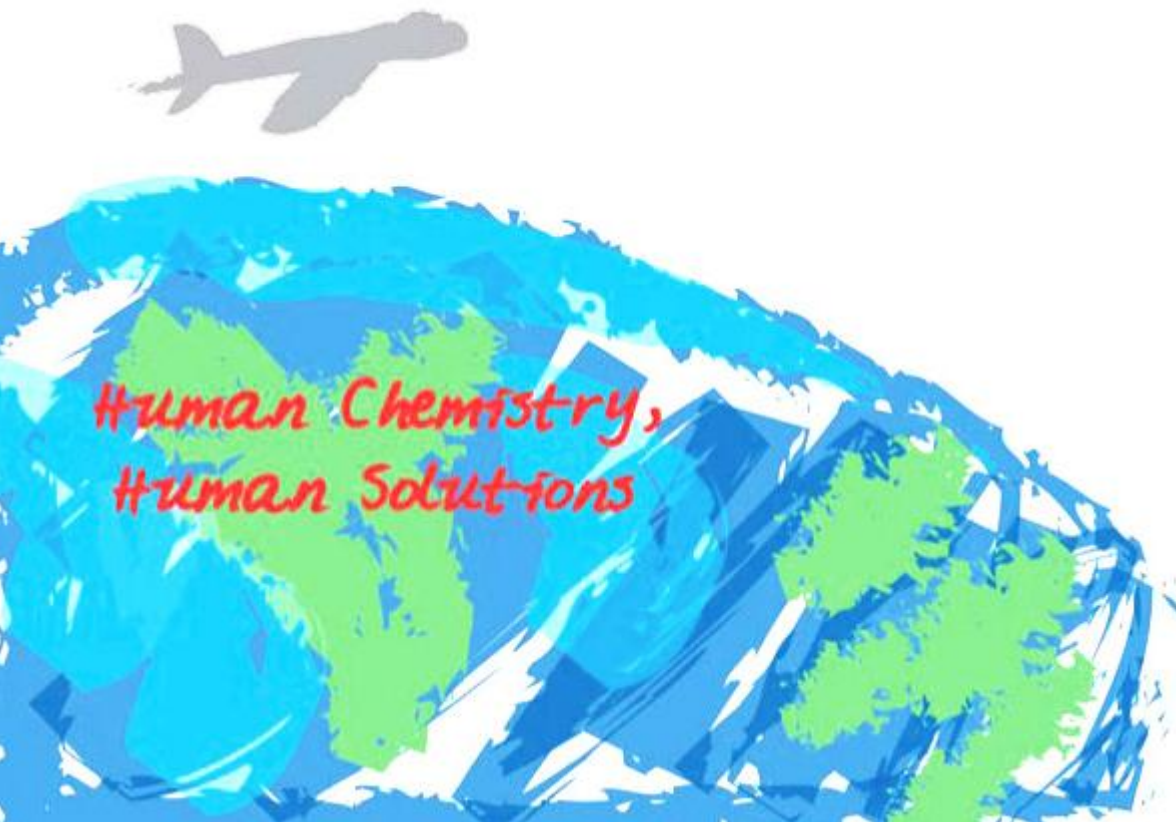

Flash Report

-Result of 1H & Outlook for FY08-

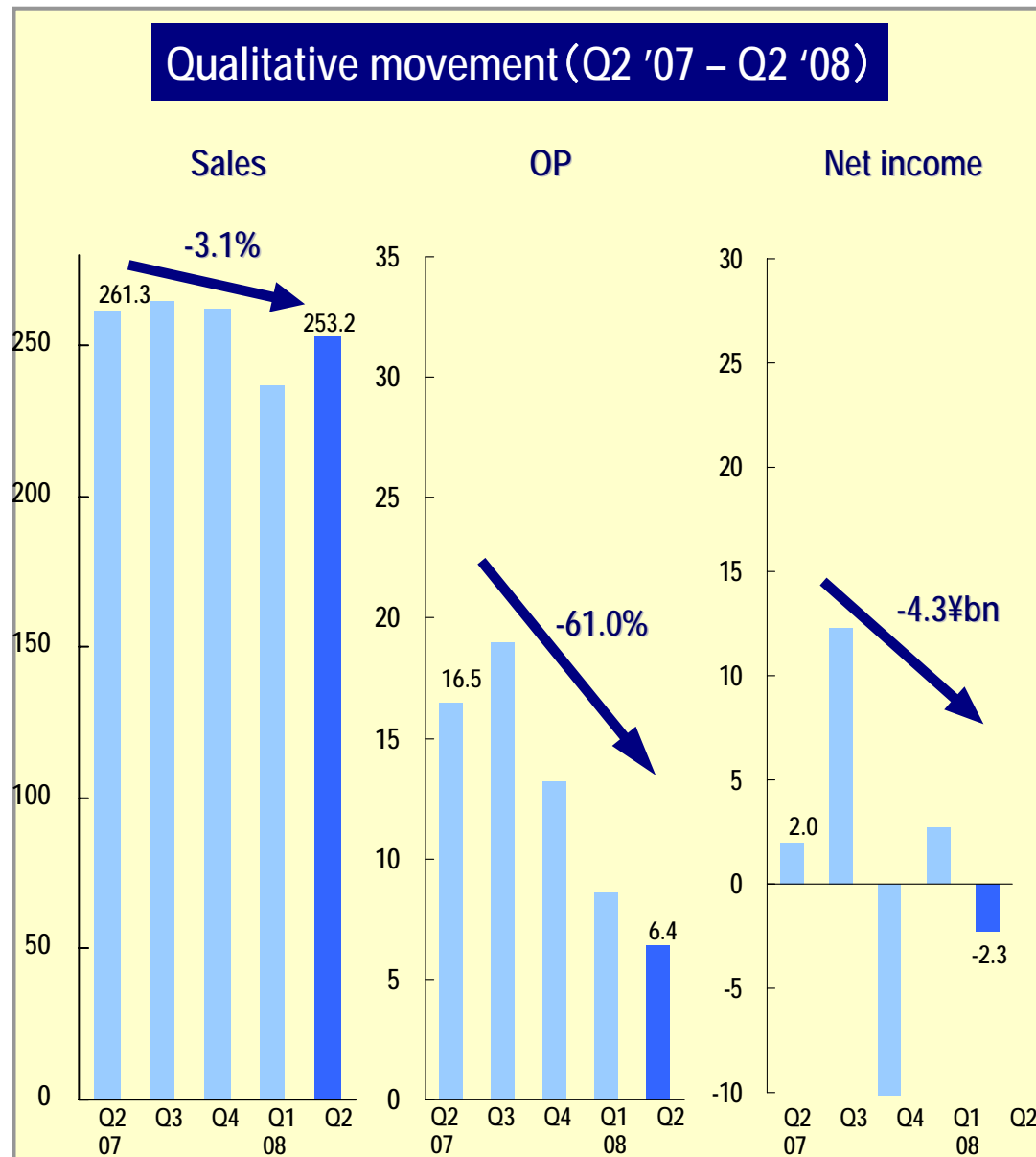
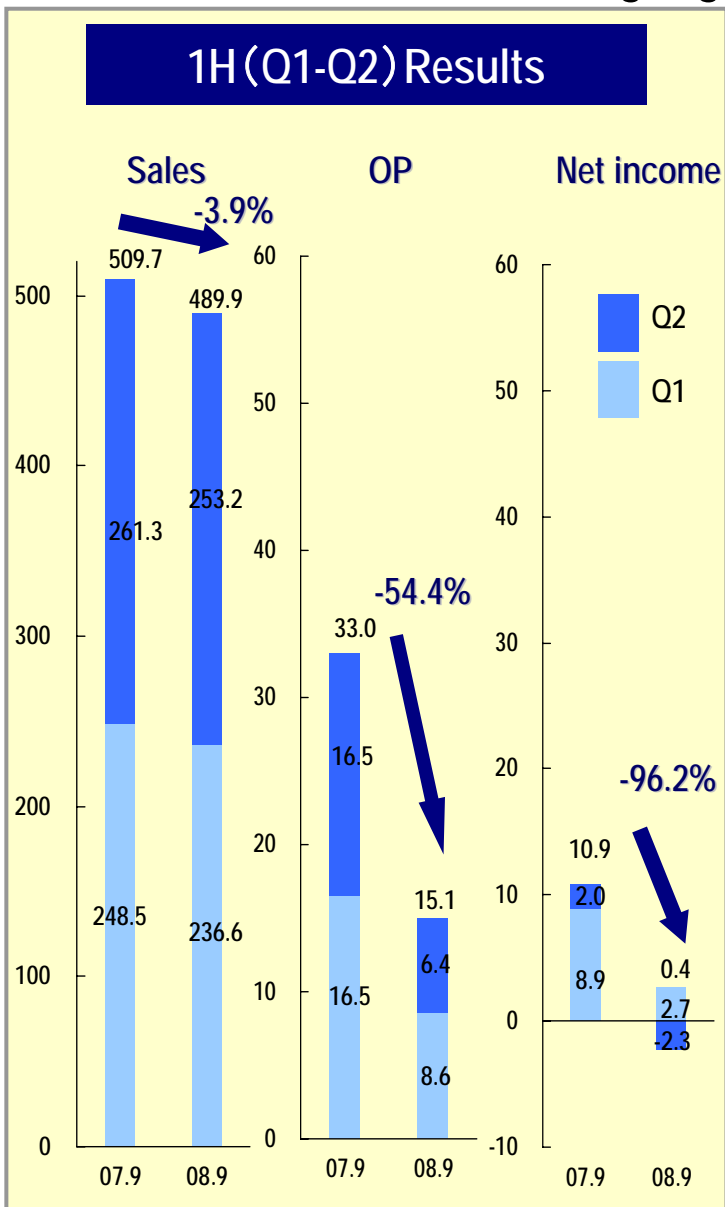


Teijin Limited
October 31, 2008

1. Outline of FY08 1H Results

(1) Consolidated Results Highlights

(¥bn)



(2) Operating Results for FY08 1H

◆ Operating Results

	FY07 1H	FY08 1H	Diff.	
			Amount	%
Net sales	509.7	489.9	-19.9	-3.9%
OP	33.0	15.1	-18.0	-54.4%
OP margin	6.5%	3.1%	-	-3.4%
Nonoperating items (net)	-5.7	-6.2	-0.4	-
Ordinary income	27.3	8.9	-18.4	-67.3%
Extraordinary items (net)	-7.2	-2.9	+4.3	-
Income taxes	8.6	5.7	-2.9	-33.6%
Minority interest of consolidated subsidiaries(net)	0.7	-0.1	-0.7	-
Net income	10.9	0.4	-10.5	-96.2%
EPS (¥)	11.62	0.42	-11.2	-96.4%

(¥bn)

FY08 1H Previous Outlook*	Comparison with Previous Outlook (Amount)
490.0	-0.1
15.0	+0.1
3.1%	+0.0%

9.0	-0.1
-----	------

- Despite a decrease in impairment loss, net income fell dramatically, reflecting a sizeable drop in operating income
- Net sales and operating income were in line with previous outlook

1.0	-0.6
-----	------

*Previous outlook released on July 31, 2008

Interim cash dividends: ¥3.0/share

EBITDA	62.1	47.6	-14.4
CAPEX	36.1	36.6	+0.4
Depreciation & amortization	29.0	32.5	+3.5
R&D expenses	17.5	18.6	+1.1

◇ PL exchange rate

	FY07 1H	FY08 1H
¥/US\$	120	105
¥/€	160	161
US\$/€	1.33	1.53

Note: EBITDA = Operating income + Depreciation & amortization

Note: Fiscal year-end for overseas companies is Dec 31.

◆ Financial Position

(¥bn)	Mar 31, '08	Sep 30, '08	Diff.
Total assets	1,016.0	1,058.8	+42.8
Shareholders' equity	391.0	380.9	-10.1
Interest-bearing debt	325.2	401.9	+76.7

D/E ratio	0.83	1.06	+0.22
Shareholders' equity ratio	38.5%	36.0%	-2.5%
BPS (¥)	397.27	387.05	-10.22

- Total assets: Up, reflecting higher inventories and the acquisition of a home health care services provider, among others
- Shareholders' equity: Down, owing to a decline in net unrealized holding gains on securities and an increase in deduction for foreign currency translation adjustments
- Interest-bearing debt: Up, owing to increases in inventories, funds procured to facilitate acquisition of home health care services provider

- Cash and cash equivalents used in operating activities: Up, reflecting increase in inventories, others
- Cash and cash equivalents used in investing activities: Up, owing to purchase of property, plant and equipment, others

◆ Cash Flows

(¥bn)	Operating activities	Investing activities	FCF	Financing activities	Cash & cash equivalents
FY08 1H	-4.7	-70.7	-75.4	78.2	2.8
FY07 1H	* 19.3	-41.7	-22.4	24.6	2.2

Note: More than 50% of income taxes paid (¥19.1 billion) is accounted for by transient payments by a subsidiary in the Netherlands.

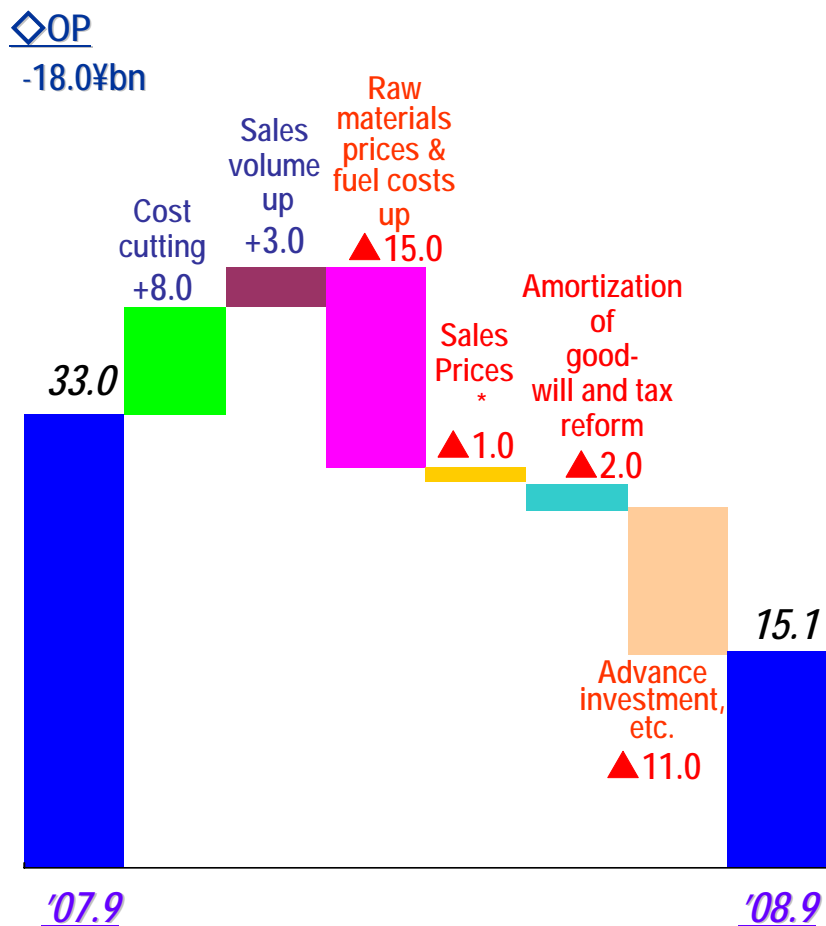
◇ BS exchange rate

	Dec 31, '07	Jun 30, '08
¥/US\$	114	106
¥/€	167	168
US\$/€	1.46	1.58

Note: Fiscal year-end for overseas companies is Dec 31.

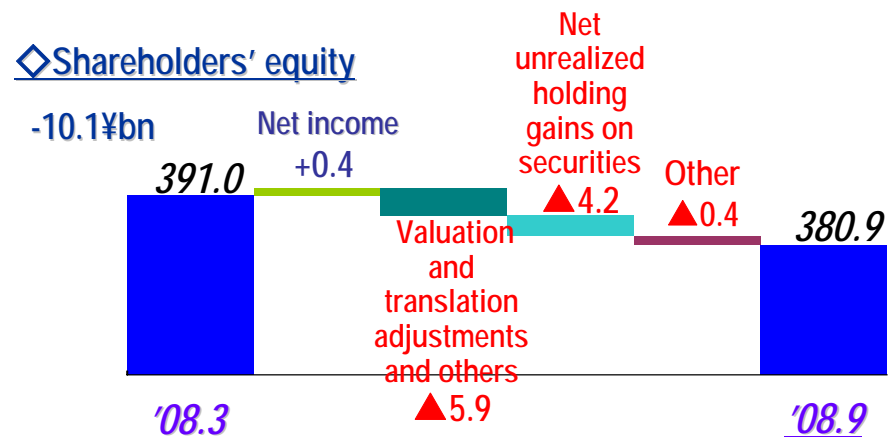
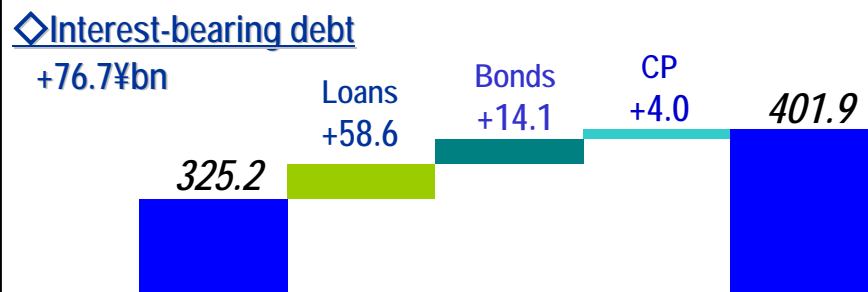
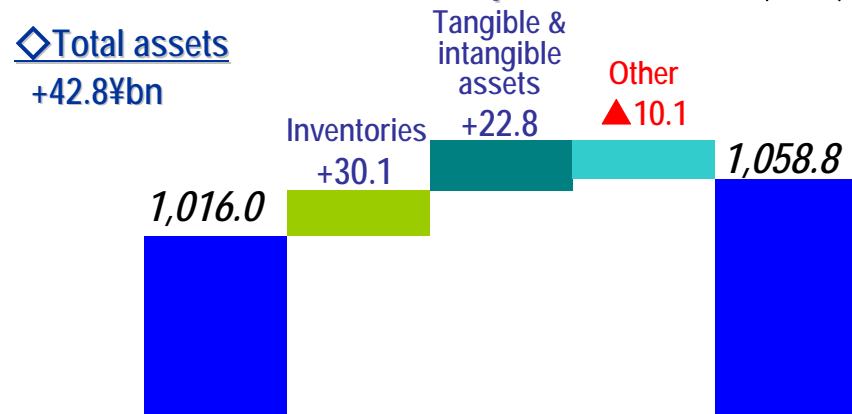
◆ Analysis of Changes in Interim Operating Results and Financial Position

◇ Operating results (¥bn)



• Increase resulting from revision of sales prices and improvement of product mix, but overall decrease due to sales prices down

◇ Financial position (¥bn)



(3) Operating Results by Segment for FY08 1H (vs. FY07 1H)

(¥bn)	Sales				OP			
	FY07 1H	FY08 1H	Diff.	% Change	FY07 1H	FY08 1H	Diff.	% Change
Synthetic Fibers	157.3	155.5	-1.9	-1.2%	11.7	4.1	-7.6	-64.8%
Films & Plastics	147.8	136.2	-11.6	-7.8%	12.7	3.9	-8.7	-68.8%
Pharma. & H.H.C.	55.7	57.1	+1.4	+2.6%	9.8	10.7	+0.9	+9.4%
Trading & Retail	128.8	120.1	-8.7	-6.7%	2.3	2.0	-0.3	-14.4%
IT & New Products, etc.	20.1	20.9	+0.8	+4.2%	0.6	0.5	-0.1	-12.5%
Elimination & Corporate	-	-	-	-	-4.0	-6.1	-2.2	-
Total	509.7	489.9	-19.9	-3.9%	33.0	15.1	-18.0	-54.4%

*Pharma. & H.H.C.: Pharmaceuticals and Home Health Care

① Synthetic Fibers: Decline in sales, sharp drop in OP

◆ Operating Results

◇ Polyester Fibers: Sales and OP down

◇ High Performance Fibers: Sales up, but OP down sharply

◆ Summary & Actions

◇ Polyester Fibers:

➤ Overall:

- Revised sales prices in response to rising raw materials prices and fuel costs, shifted focus to highly profitable products and reduced costs

- Began commercial production of *Nanofront**

- Signed agreement to license out production technology for heavy-metal-free polyester material

➤ Japan: Struggled, as market conditions remained sluggish

➤ SE Asia: Demand remained slack

◇ High Performance Fibers: Affected by strong yen, Euro, increase in amortization and tax reform

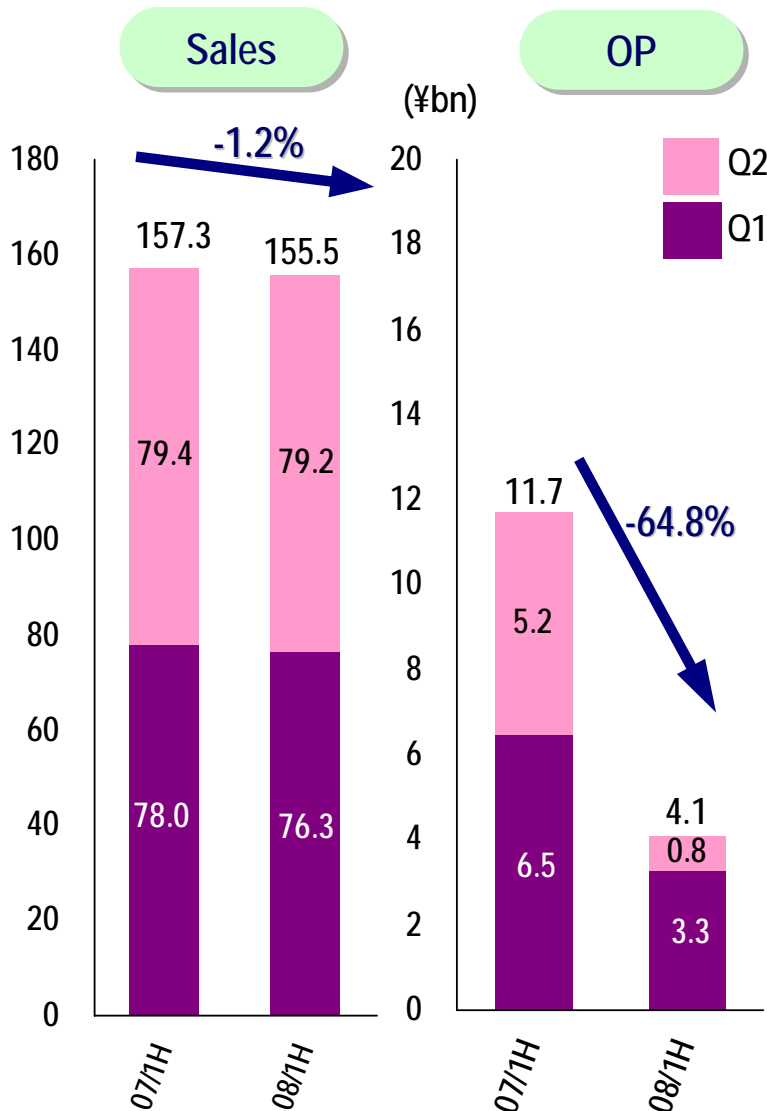
➤ Aramid fibers: Demand was firm

- Completed first phase of expansion of production facilities for *Twaron*

➤ Carbon fibers: Demand continued to expand, although the supply-demand balance eased

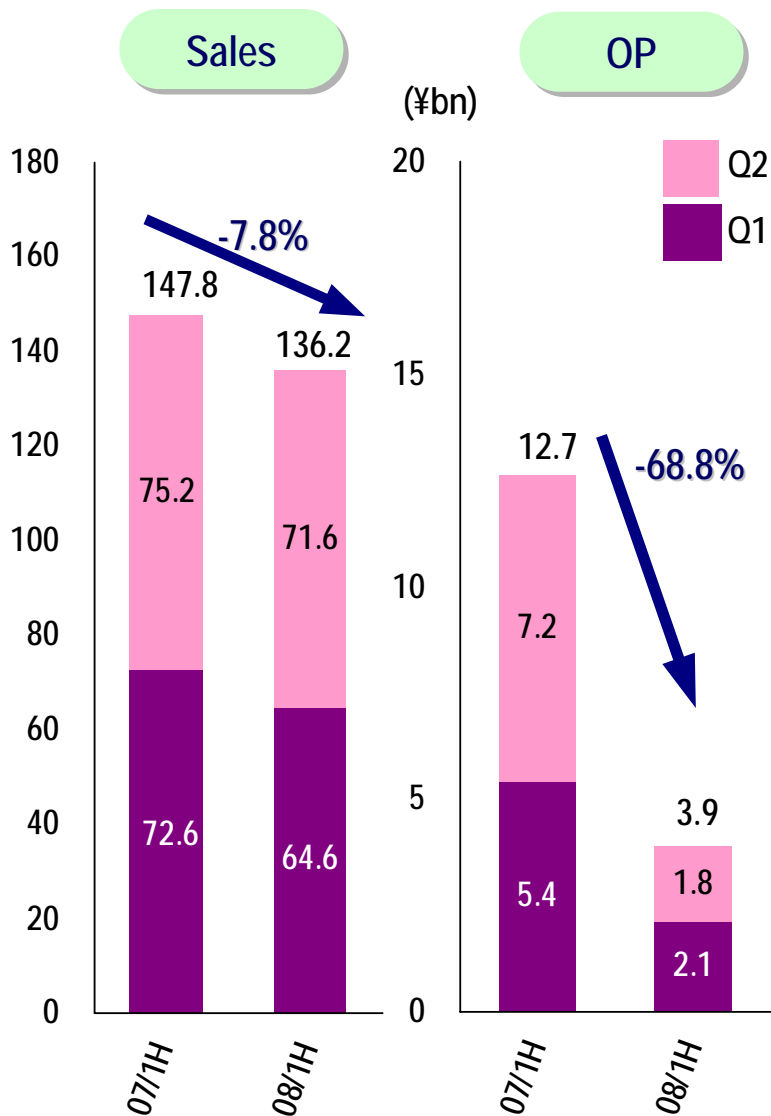
- Increase in depreciation related to new large-scale line in Japan

- Proceeded with further expansion in Germany



* A new high-strength polyester nanofiber

② Films & Plastics: Decline in sales, sharp decline in OP



◆ Operating Results

◇ Films: Sales and OP down

◇ Plastics: Sales down, sharp decline in OP

◆ Summary & Actions

◇ Films:

- PET film (Japan): Sales were firm for FPDs and solar cells
- PET film (USA): Sales were firm; OP loss as rising raw materials prices and fuel costs countered decline in depreciation and amortization due to the application of impairment accounting in the previous fiscal year
- PEN film: Firm for use in high-density data backup tapes

◇ Plastics:

- Polycarbonate resin
 - Demand for general applications was generally firm
 - Rising raw materials prices and fuel costs pushed OP down
 - Proceeded with fourth phase of construction of Shanghai compounding plant and brought a portion of new facilities on line (October 2008)
- Processed polycarbonate resin products
 - Completed expansion of production facilities for clear electroconductive film for use on touch panels (October 2008)

③ Pharmaceuticals & HHC: Increase in sales and OP

◆ Operating Results

◇ Pharmaceuticals & HHC:

Both Pharmaceuticals and HHC sales firm despite revision of NHI drug reimbursement prices

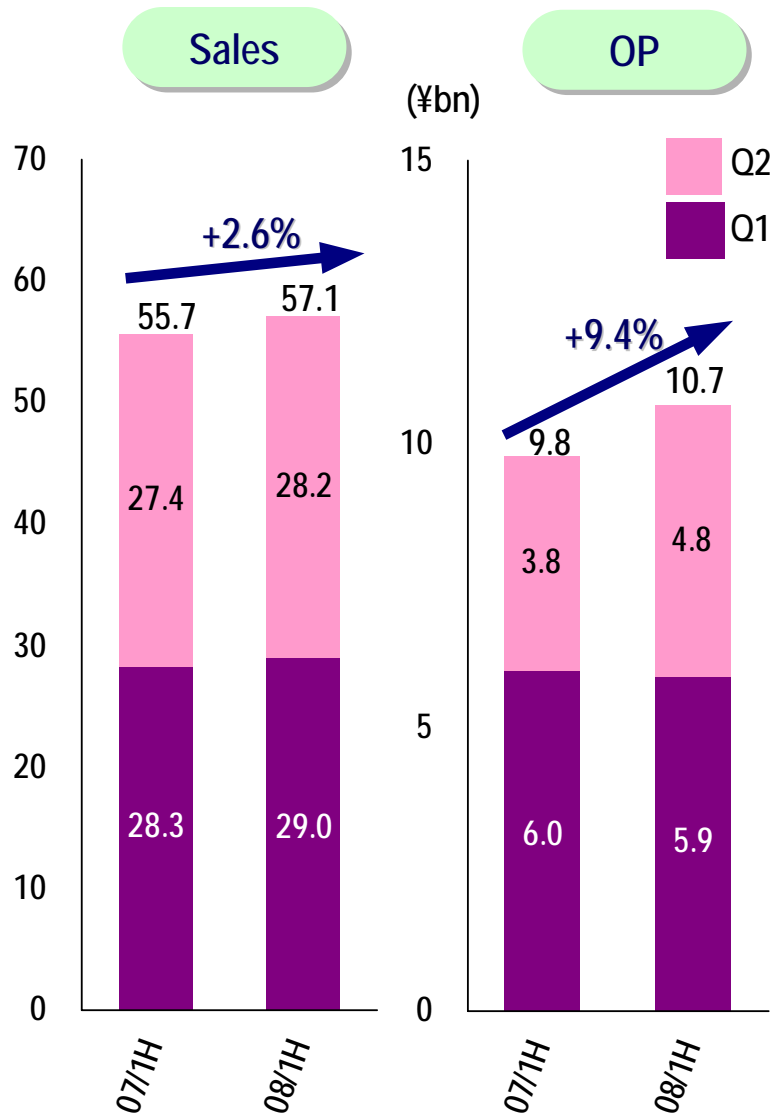
◆ Summary & Actions

◇ Pharmaceuticals:

- Sales of new *Bonalon* 35mg tablet increased favorably
- R&D: Obtained marketing authorization in Europe for TMX-67,* filed for approval in the USA and ROK

◇ HHC:

- HOT: Rental volume remained high
Obtained approval to manufacture and market high performance, energy-saving new *Hi-Sanso 3R* therapeutic oxygen concentrator
- CPAP, SAFHS: Rental volumes favorable
- Acquired leading U.S. home health care services provider**



* Treatment for gout and hyperuricemia ** Braden Partners L.P.

Therapeutic oxygen concentrator for HOT *Hi-Sanso 3R*

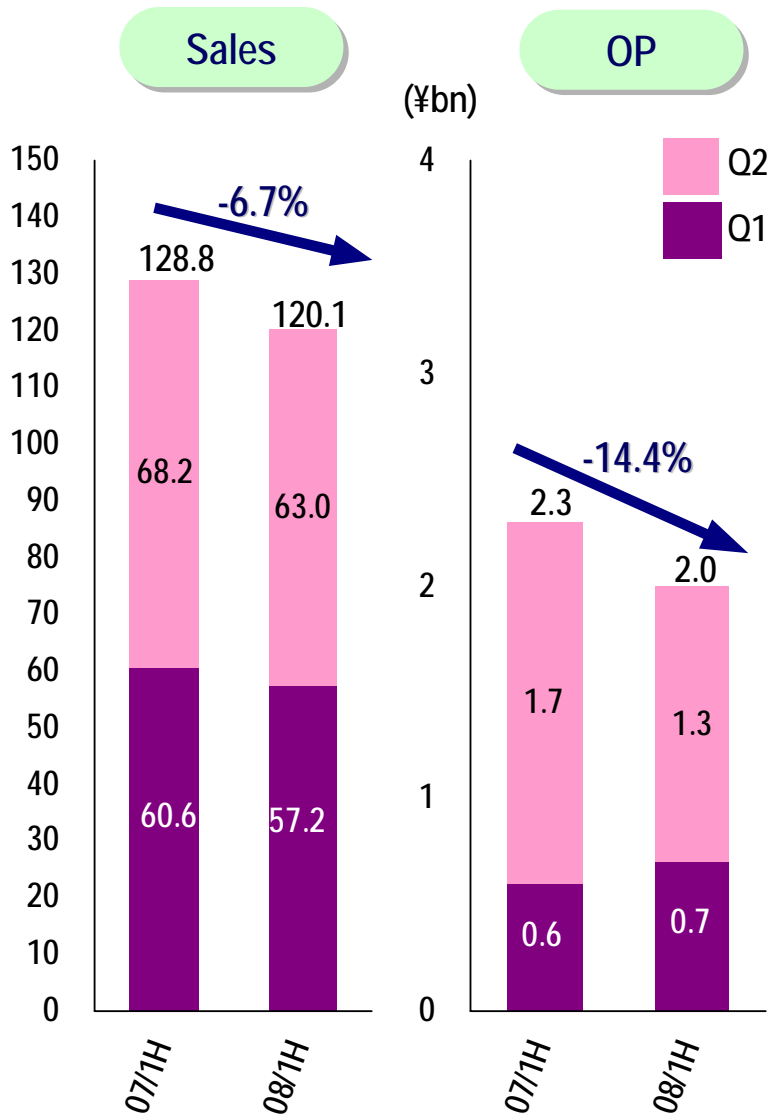


A brand-new model developed with an emphasis on ease of use and peace of mind that responds to patients' needs

- Large dial with nonslip rubber surface and display panel with clearly visible alarm indicator
- Equipped with automatic humidification function, minimizing the need to fill humidifier bottle
- Use of inverter to control rotation of air compressor facilitates highly efficient, energy-saving operation
- Compatibility with Teijin's *HOT Mimamoriban* service allows automatic monitoring of device operation via ordinary telephone lines

Rentals to hospitals throughout Japan began in early October following approval for coverage under Japan's National Health Insurance scheme (October 1, 2008).

④ Trading & Retail: Decline in sales and OP



◆ Operating Results

◇ Trading & Retail: Profitability deteriorated owing to flagging market conditions, particularly for textiles and apparel, and higher costs

◆ Summary & Actions

◇ Trading & Retail:

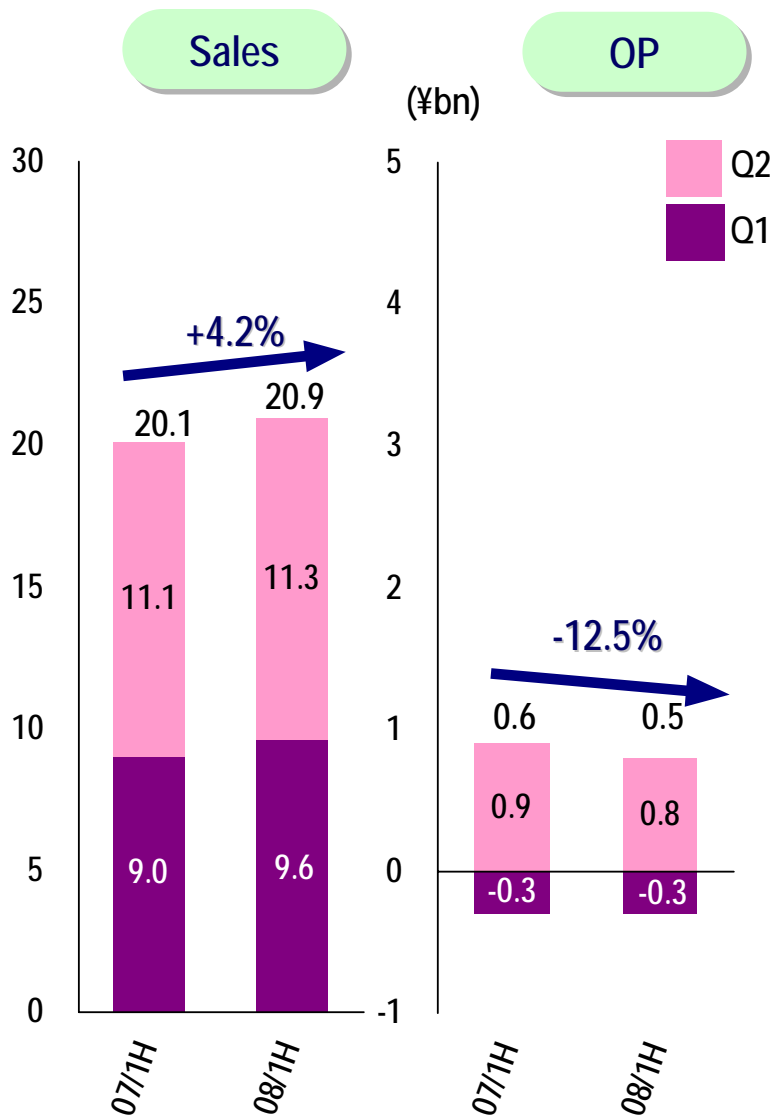
➤ Textiles and Apparel

- Market conditions flagged
- Steps taken to reinforce overseas production capabilities
- Opened Harajuku Office and flagship store for our Italian fashion brand with the aim of cultivating market in the Greater Tokyo Metropolitan Area

➤ Industrial Textiles & Materials

- Sales to customers in automotive-related industries were robust
- Interior products continued to struggle, reflecting a decline in housing starts prompted by a revision of Japan's building standards law

⑤ IT & New Products, etc.: Sales and OP level



◆ Operating Results

◇ IT: Sales up, operating loss reduced

◆ Strategies & Actions

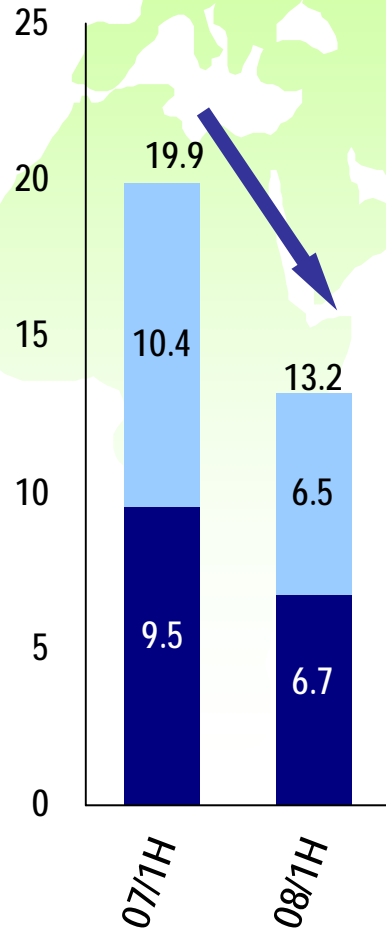
- ◇ IT:
- Services: Promoted efforts to enhance scale of business by expanding mobile phone e-book distribution and e-commerce services
- ◇ New Products, etc.:
- R&D: Completed the Teijin Technology Innovation Center, established with the aim of hastening the development of new businesses
 - Composite materials:
 - Established Teijin Composites Innovation Center
 - Acquired GH Craft Ltd.
 - Bioplastics:
 - Resolved to expand development facilities for *BIOFRONT*

(4) Changes in Operating Income by Geographical Segment

(¥bn)

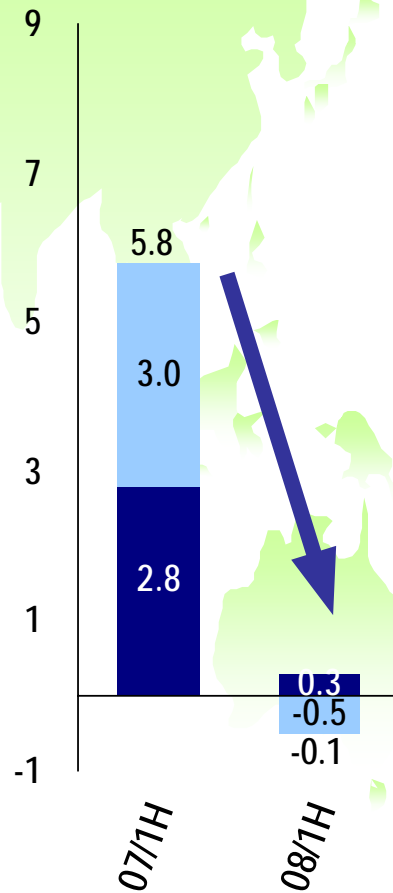
Japan

Decline for polyester fibers, carbon fibers and plastics; amortization of goodwill up

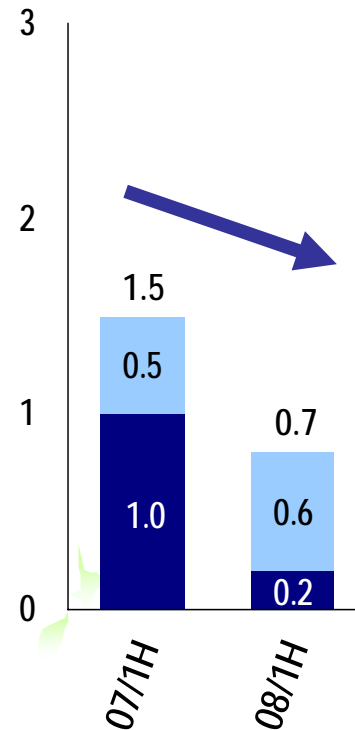


Asia

Sharp decrease for plastics

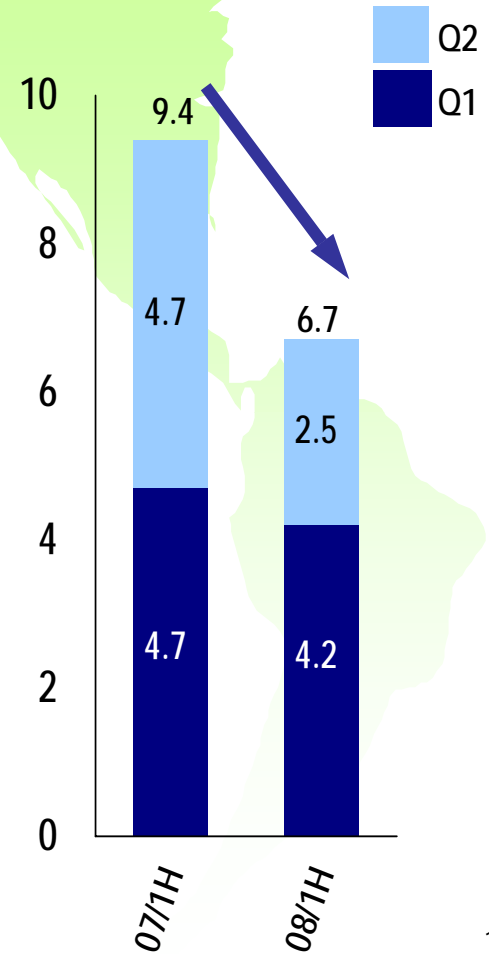


Americas



Europe

Down for aramid and carbon fibers



(5) Overview of Main Subsidiaries

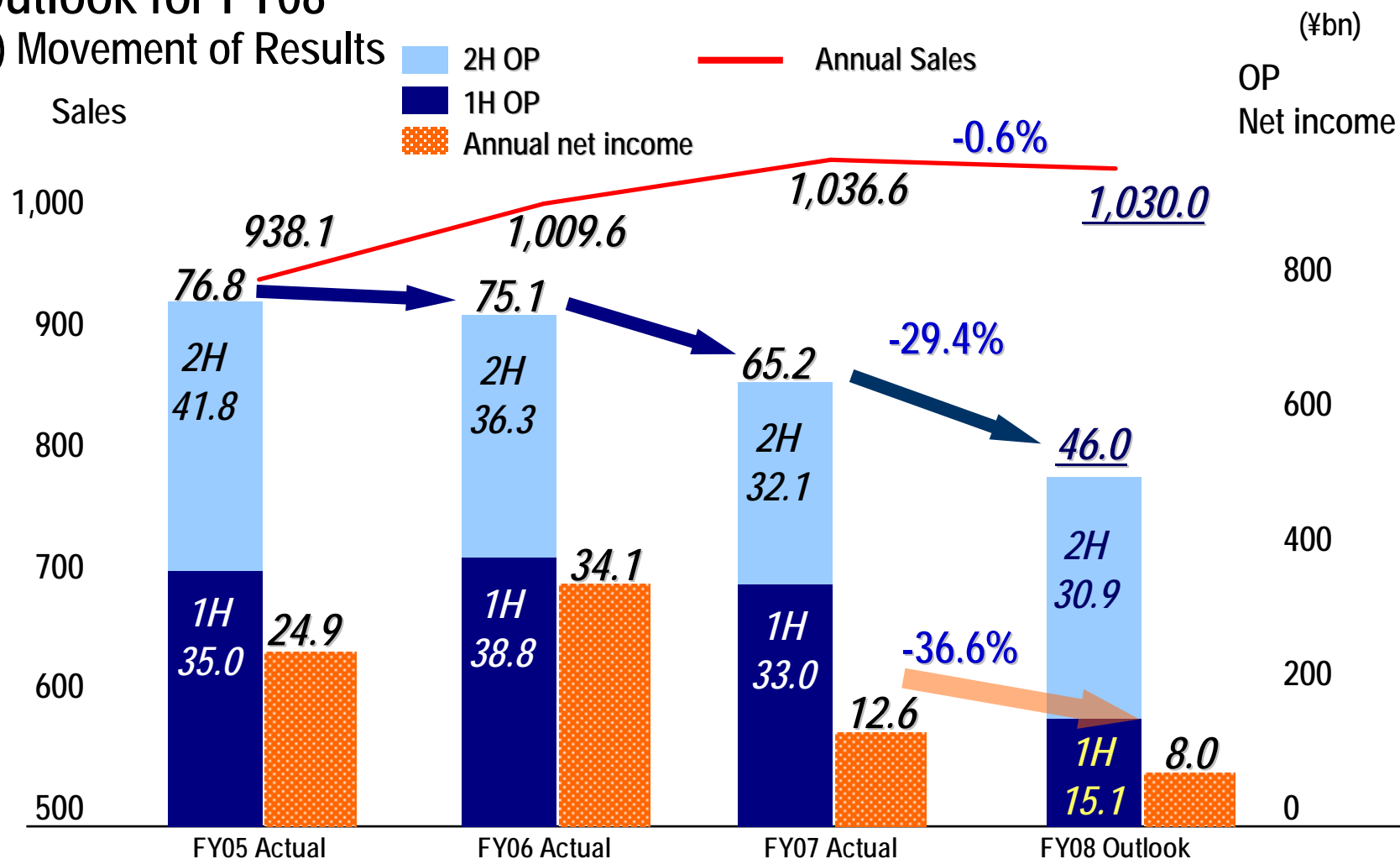
		(¥bn)	Net sales			OP			FY08 2H Outlook (vs. FY08 1H)
			FY07 1H	FY08 1H	Diff.	FY07 1H	FY08 1H	Diff.	
Synthetic Fibers	<i>Teijin Fibers</i>		76.4	76.0	-0.4	0.1	-0.9	-1.0	↗
	Three fibers companies in Southeast Asia		37.2	35.2	-2.0	-1.0	-1.7	-0.7	↗
	Total		113.6	111.2	-2.4	-0.9	-2.6	-1.7	
	Aramid fibers business		45.7	47.8	+2.1	12.0	9.8	-2.2	↗
	<i>Toho Tenax</i> group Carbon fibers only		19.1	20.2	+1.1	3.3	1.6	-1.6	↗
T&R	<i>NI Teijin Shoji</i> (Nonconsolidated results)		106.9	101.8	-5.0	2.0	2.0	-0.0	↗
F&P	Films business group		56.7	54.8	-1.9	3.8	2.2	-1.6	→
	Plastics business group		99.6	87.2	-12.4	9.0	1.9	-7.1	↗
IT	<i>Infocom</i> (Nonconsolidated results)		11.5	12.3	+0.8	-0.5	-0.1	+0.4	↗

Notes:

1. FY08 1H: Teijin Fibers made TS Aromatics Limited (JV with Showa Shell Sekiyu K.K.) a consolidated subsidiary.
2. Figures for the three fiber companies in SE Asia are aggregate totals for the three companies
3. The "aramid fibers business" includes the Teijin Aramid (former *Twaron*) group and the aramid fibers business of Teijin Techno Products Limited

2. Outlook for FY08

(1) Movement of Results

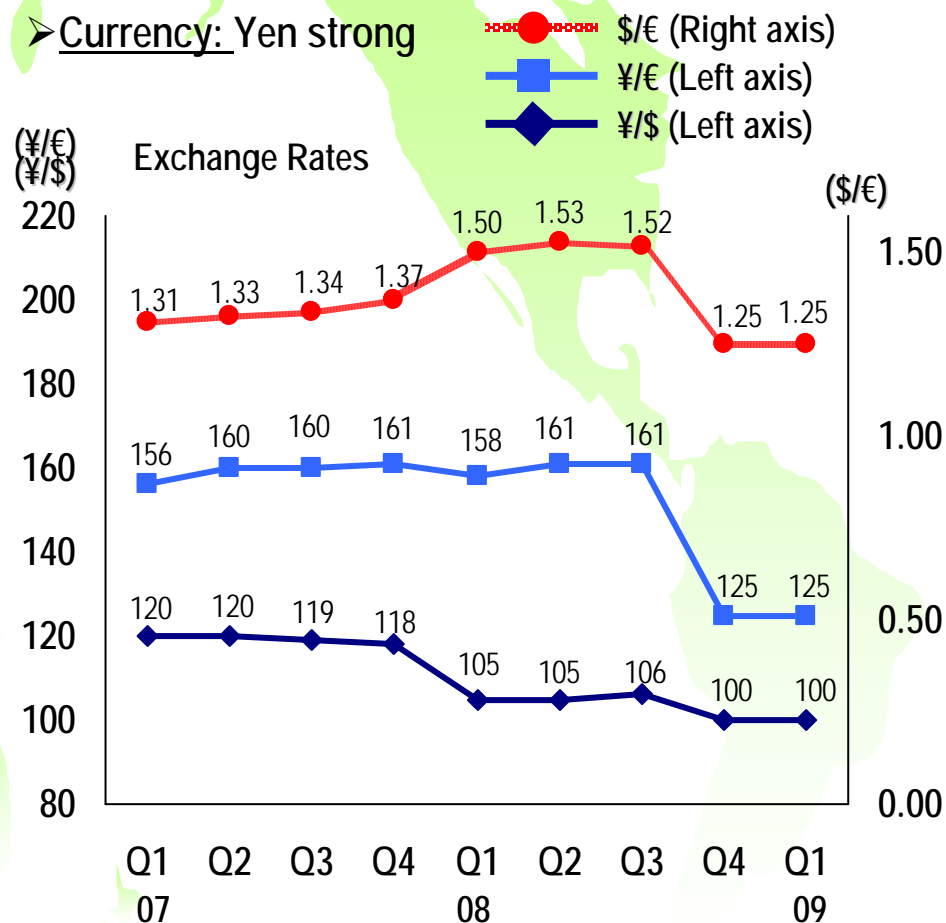
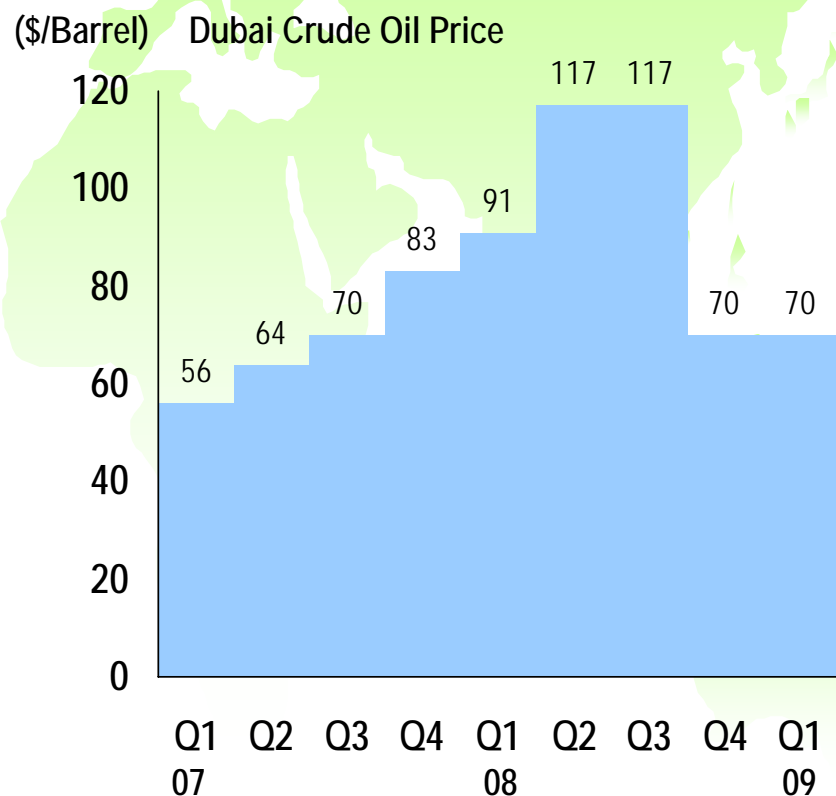


ROA(%)	8.5	7.7	6.5	5
ROE(%)	7.9	9.7	3.3	2
Operating margin (%)	8.2	7.4	6.3	4.5
D/E ratio	0.88	0.81	0.83	1.0

Note: ROA = OP / Total assets

(2) Outlook for 2H Operating Environment

- Economic environment: Spread of economic decline originating in the United States to other markets is likely to accelerate
- Raw materials prices and fuel costs: Soft
- Currency: Yen strong



*1Q: January–March; 2Q: April–June; 3Q: July–September; 4Q: October–December

(3) Summary of Outlook for FY08

(¥bn)	FY07 Actual	FY08 Revised Outlook	Diff.	
			Amount	%
Net sales	1,036.6	1,030.0	-6.6	-0.6%
Operating income	65.2	46.0	-19.2	-29.4%
Operating margin	6.3%	4.5%	-	-1.8%
Ordinary income	46.3	33.0	-13.3	-28.7%
Net income	12.6	8.0	-4.6	-36.6%

FY08 Previous Outlook*	Comparison with Previous Outlook (Amount)
1,050.0	-20.0
46.0	-
4.4%	+0.1%
33.0	-
12.0	-4.0

Interim cash dividends: ¥3.0 per share; annual cash dividends: ¥6.5 per share (outlook)

EBITDA	127.8	114.0	-13.8
CAPEX	84.6	85.0	+0.4
Depreciation & amortization	62.7	68.0	+5.3
R&D expenses	36.3	38.0	+1.7

Note: EBITDA = (Operating income + Depreciation & amortization)

	Sep 30, 2008	Mar 31, 2009	Diff.
Total assets	1,058.8	970.0	-88.8
Interest-bearing debt	401.9	350.0	-51.9

FY08 vs FY07

- OP down, owing to declines in Synthetic Fibers and Plastics prompted by rising raw materials prices and fuel costs and unfavorable exchange rates
- Net income halved owing to a decline in OP, despite decreased impairment losses

FY08 end vs FY08 1H end

- Total assets: Decreased, owing to inventory reductions, appreciation of the yen

•Previous outlook released on July 31, 2008.

(4) Outlook by Segment

	Sales			OP			OP margin	
	FY07 Actual	FY08 Outlook	Diff.	FY07 Actual	FY08 Outlook	Diff.	FY07 Actual	FY08 Outlook
(¥bn)								
Synthetic Fibers	317.6	320.0	+2.4	24.4	14.0	-10.4	7.7%	4.4%
Films & Plastics	293.8	280.0	-13.8	20.2	10.0	-10.2	6.9%	3.6%
Pharma. & H.H.C.	114.4	120.0	+5.6	21.7	24.0	+2.3	19.0%	20.0%
Trading & Retail	265.9	260.0	-5.9	5.3	5.5	+0.2	2.0%	2.1%
IT & New Products, etc.	44.8	50.0	+5.2	3.5	3.5	-0.0	7.8%	7.0%
Elimination & Corporate	-	-	-	-10.0	-11.0	-1.0	-	-
Total	1,036.6	1,030.0	-6.6	65.2	46.0	-19.2	6.3%	4.5%

◆ Changes in Semiannual OP for FY07-FY08

¥bn)	FY 07							FY 08				
	1H			2H			Annual Total	1H			2H	Annual Total
	Q1	Q2		Q3	Q4			Q1	Q2			
Synthetic Fibers	6.5	5.2	11.7	5.8	6.9	12.7	24.4	3.3	0.8	4.1	9.9	14.0
Films & Plastics	5.4	7.2	12.7	6.0	1.6	7.6	20.2	2.1	1.8	3.9	6.1	10.0
Pharma. & H.H.C.	6.0	3.8	9.8	7.5	4.4	11.9	21.7	5.9	4.8	10.7	13.3	24.0
Trading & Retail	0.6	1.7	2.3	1.8	1.2	3.0	5.3	0.7	1.3	2.0	3.5	5.5
IT & New Products, etc.	-0.3	0.9	0.6	0.2	2.8	3.0	3.5	-0.3	0.8	0.5	3.0	3.5
Elimination & Corporate	-1.7	-2.3	-4.0	-2.3	-3.7	-6.0	-10.0	-3.0	-3.1	-6.1	-4.9	-11.0
Total	16.5	16.5	33.0	19.0	13.2	32.1	65.2	8.6	6.4	15.1	30.9	46.0

(5) Comparison with Previous Outlook for FY08

		Revised Outlook		Previous Outlook*		Diff.	
		1H	Annual Total	1H	Annual Total	1H	Annual Total
(¥bn)							
Sales	Synthetic Fibers	155.5	320.0	160.0	340.0	-4.5	-20.0
	Films & Plastics	136.2	280.0	135.0	280.0	+1.2	-
	Pharma. & H.H.C.	57.1	120.0	55.0	120.0	+2.1	-
	Trading & Retail	120.1	260.0	120.0	260.0	+0.1	-
	IT & New Products, etc.	20.9	50.0	20.0	50.0	+0.9	-
	Total	489.9	1,030.0	490.0	1,050.0	-0.1	-20.0
Operating income	Synthetic Fibers	4.1	14.0	4.0	16.0	+0.1	-2.0
	Films & Plastics	3.9	10.0	4.0	10.0	-0.1	-
	Pharma. & H.H.C.	10.7	24.0	10.5	23.0	+0.2	+1.0
	Trading & Retail	2.0	5.5	2.0	5.5	-0.0	-
	IT & New Products, etc.	0.5	3.5	0.5	3.5	-0.0	-
	Elimination & Corporate	-6.1	-11.0	-6.0	-12.0	-0.1	+1.0
Total	15.1	46.0	15.0	46.0	+0.1	-	

(6) Financial Highlights

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Outlook
ROA *1	5.9%	8.5%	7.7%	6.5%	5%
ROE *2	3.1%	7.9%	9.7%	3.3%	2%
Operating margin	5.7%	8.2%	7.4%	6.3%	4.5%
D/E ratio	0.95	0.88	0.81	0.83	1.0
Shareholders' equity ratio *3	34.1%	35.9%	36.7%	38.5%	37%
Total asset turnover	1.03	1.04	1.04	1.03	1.0
Earnings per share (¥)	9.7	26.6	36.8	13.2	8.1
Dividends per share (¥)	6.5	7.5	10.0	8.0	6.5
Total assets (¥bn)	852.0	944.0	999.9	1,016.0	970.0
Interest-bearing debt (¥bn)	277.0	298.3	295.5	325.2	350.0
EBITDA (¥bn) *4	104.2	127.1	129.1	127.8	114.0

*1. ROA= Operating income/Total assets

*2. ROE= Net income/Shareholders' equity

*3. Figures prior to FY06 are calculated using total shareholders' equity as defined under previous accounting standard

*4. EBITDA = Operating income + Depreciation & amortization

Disclaimer Regarding Forward-Looking Statements and Business Risks

Disclaimer

Any statements in this document, other than those of historical fact, are forward-looking statements about the future performance of Teijin and its Group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts.

Business Risks

Potential risks and uncertainties include but are not limited to, the following:

Despite the current upheaval in the global financial markets, the Teijin Group faces very little risk of a widening of spreads on funds procured in foreign currencies and is not in a position that would make it difficult to procure necessary funds.

(1) Market-related risk

The Teijin Group manufactures and sells products, the sales of which may be affected by market conditions and competition with other companies, and price fluctuations arising thereof, and by fluctuations in raw materials prices and fuel costs, as well as by such market factors as fluctuations in foreign exchange and interest rates.

(2) Product quality risk

The pharmaceuticals business involves products that may affect the lives of users. Accordingly, quality issues have the potential to negatively affect, among others, the Group's operating result and public reputation.

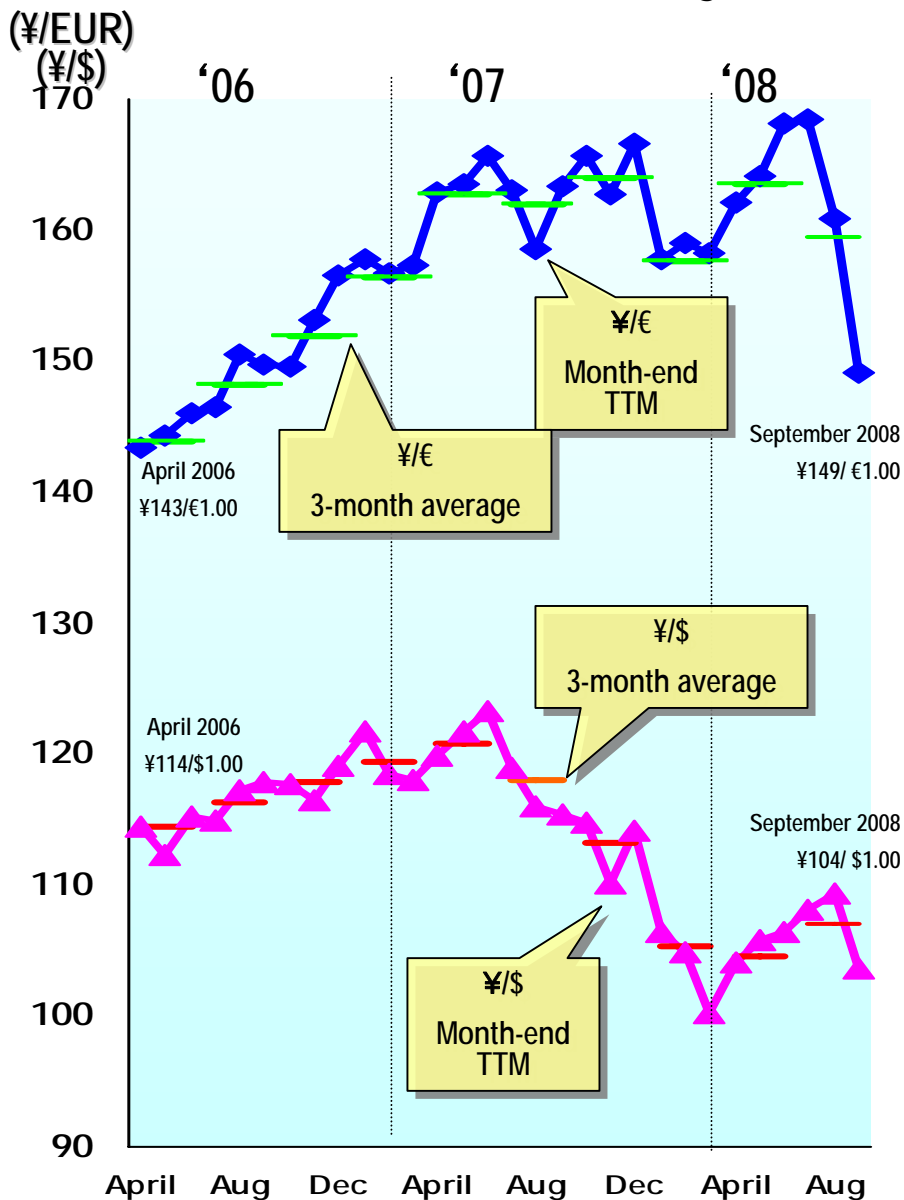
(3) R&D-related risk in the pharmaceuticals business

R&D in the pharmaceuticals business is characterized by significant investments of funds and time, and there is a high risk that researchers will fail to discover a promising drug. There is also a risk that a new drug candidate may not receive regulatory approval as a result of the examination process that follows application for regulatory approval, or that approval may subsequently be rescinded.

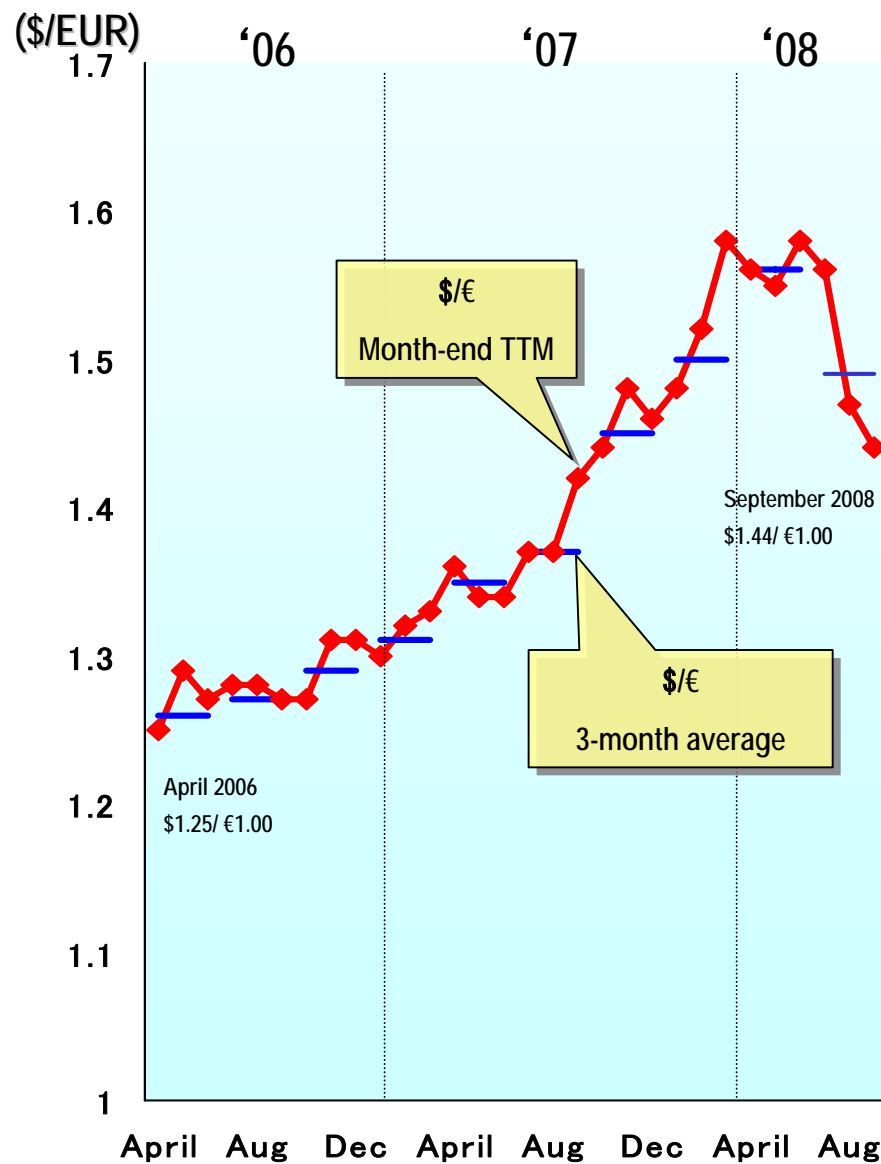
This material is based on the consolidated results for FY08 1H announced at 11:30 A.M. on October 31, 2008 (local time in Japan).

All product names in this document are registered trademarks.

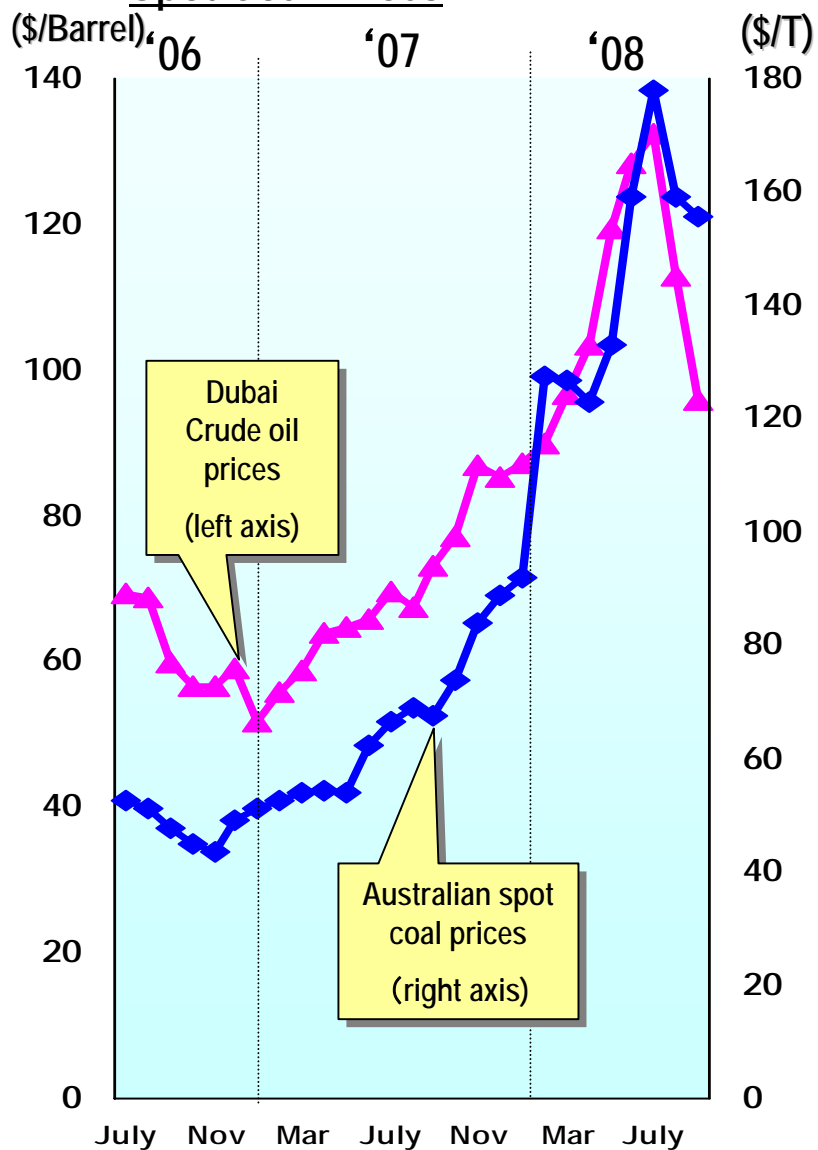
◆ Yen/Dollar, Yen/Euro Exchange Rates



◆ Dollar/Euro Exchange Rates

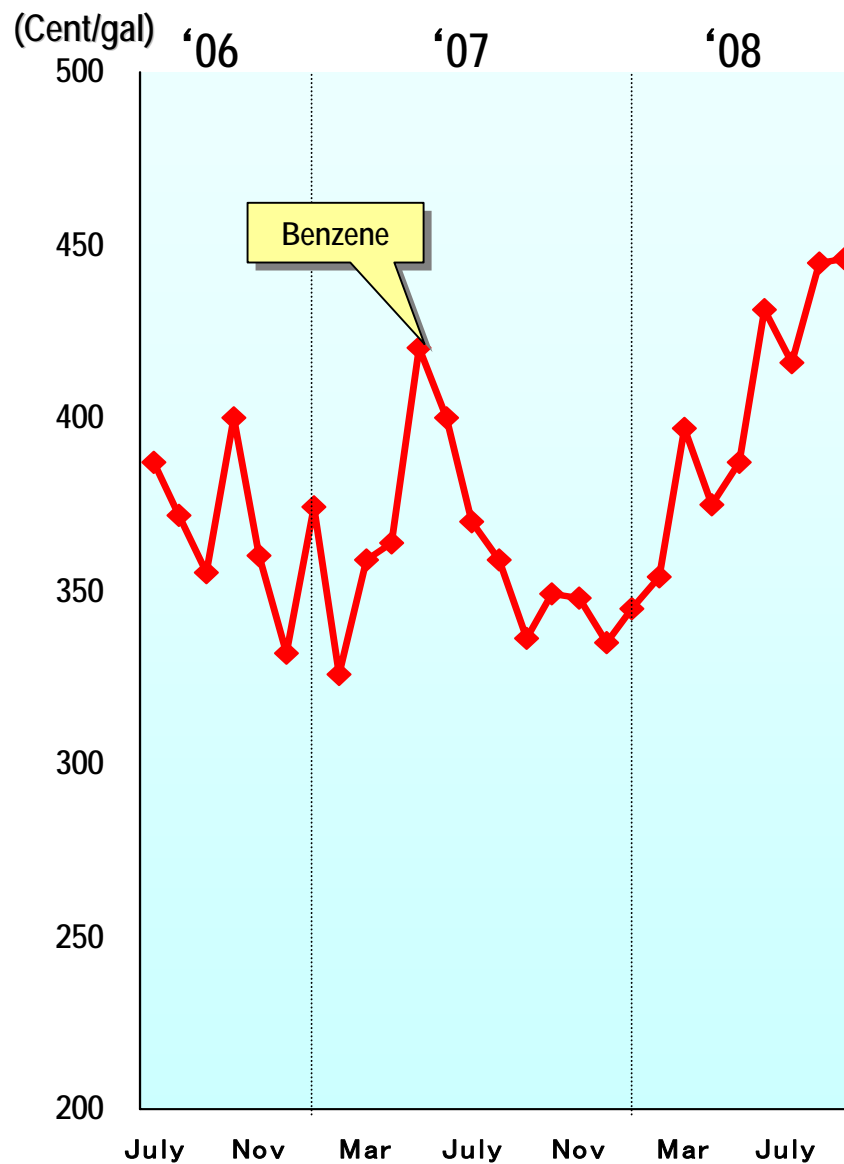


◆ Dubai Crude Oil Prices, Australian Spot Coal Prices



【Source: Teijin estimates based on data published by Global Coal】

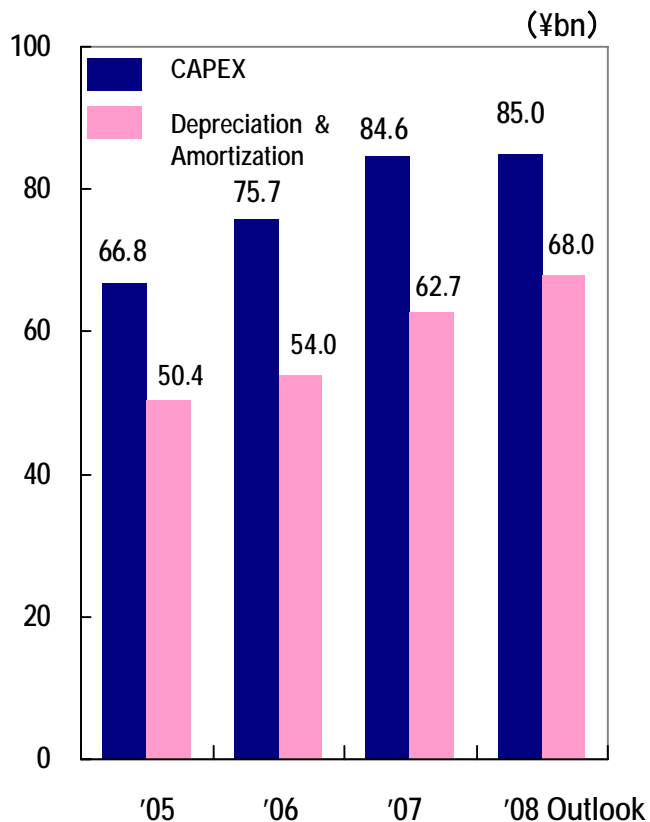
◆ Benzene Prices



【Source: Teijin estimates based on data published by Dewitt】

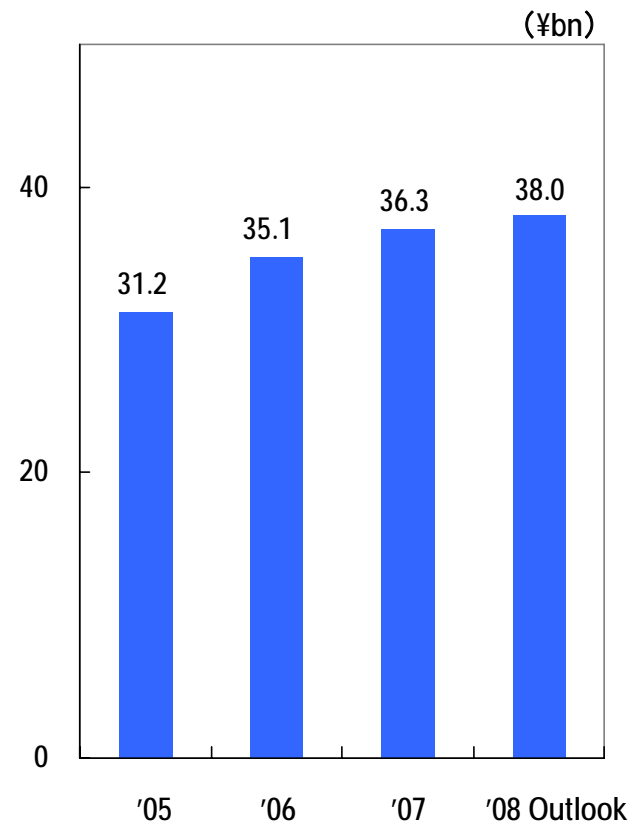
◆ CAPEX, Depreciation & Amortization, and R&D Expenses

CAPEX/Depreciation & Amortization



➤ CAPEX to exceed depreciation & amortization, particularly in growth SBUs

R&D Expenses



➤ Approx. 70% of R&D expenses to be allocated to growth SBUs, notably pharma. & H.H.C. (FY08)

◆ Progress of CAPEX in Materials Businesses

◇ Expansion of production facilities: Projects completed in FY08

Business group	Products	Aim of project	Date of completion	Location	Increase in capacity
High Performance Fibers	Carbon fibers (<i>Tenax</i>)	Increase production capacity	April 2008	Japan (Mishima)	2,700 tons/yr
Plastics	Polycarbonate /PET film (<i>ELECLEAR</i>)	Increase production capacity	October 2008	Japan (Mihara)	Approx. 100%

◇ Expansion of production facilities: Projects slated for launch in the next few years

Business group	Products	Aim of project	Date of completion	Location	Increase in capacity
High Performance Fibers	Para-aramid fibers (<i>Twaron</i>)	Increase polymerization and spinning capacity	2008 mid-year onward (gradual)	Netherlands (Arnhem)	Approx. 15%
	Carbon fibers (<i>Tenax</i>)	Increase production capacity	August 2009	Germany (Oberbruch)	1,700 tons/yr
Plastics	Polycarbonate resin (<i>Panlite</i>) (<i>Multilon</i>)	Increase compounding capacity	August 2009	China (Shanghai)	39,000 tons/yr

◆ Consolidated Statements of Income

	FY07 1H		FY08 1H		Diff.	
	(¥bn) Amount	% of total	Amount	% of total	Amount	%
Net Sales	509.7	100.0%	489.9	100.0%	-19.9	-3.9%
Cost of sales	382.6	75.1%	374.8	76.5%	-7.8	-2.1%
Gross profit	127.1	24.9%	115.1	23.5%	-12.0	-9.4%
SG & A	94.1	18.5%	100.0	20.4%	6.0	+6.3%
Operating income	33.0	6.5%	15.1	3.1%	-18.0	-54.4%
Nonoperating items (net)	-5.7	-	-6.2	-	-0.4	-
(Balance of financial expenses)	-4.4	-	-3.9	-	+0.5	-
(Equity on gains and losses of unconsolidated subsidiaries and affiliates)	-0.0	-	-1.5	-	-1.5	-
Ordinary income	27.3	5.4%	8.9	1.8%	-18.4	-67.3%
Extraordinary items(net)	-7.2	-	-2.9	-	+4.3	-
Income before income taxes	20.1	3.9%	6.0	1.2%	-14.1	-70.0%
Income taxes	8.6	1.7%	5.7	1.2%	-2.9	-33.6%
Minority interest (net)	0.7	-	-0.1	-	-0.7	-
Net income	10.9	2.1%	0.4	0.1%	-10.5	-96.2%

Note: For more information, see the Financial Statements Summary for the six months ended September 30, 2008.

◆ Consolidated Balance Sheets <Assets>

(¥bn)	Mar 31, 2008	Sep 30, 2008	Diff.
Total assets	1,016.0	1,058.8	+42.8
Current assets	417.4	444.2	+26.8
Cash and time deposits	19.1	22.1	+3.0
Trade notes and accounts receivable	204.9	201.7	-3.2
Inventories	151.5	181.6	+30.1
Others	41.9	38.7	-3.1
Fixed assets	598.6	614.7	+16.1
Tangible assets	382.6	389.6	+7.0
Intangible assets	74.7	90.5	+15.8
Investments and other assets	141.3	134.5	-6.8

Note: For more information, see the Financial Statements Summary for the six months ended September 30, 2008.

◆ Consolidated Balance Sheets <Liabilities and net assets>

(¥bn)	Mar 31, 2008	Sep 30, 2008	Diff.
Total liabilities and net assets	1,016.0	1,058.8	+42.8
Liabilities	604.7	657.7	+53.0
Current liabilities	417.5	445.9	+28.4
Noncurrent liabilities	187.2	211.8	+24.6
(Interest-bearing debt)	325.2	401.9	+76.7
Net assets	411.2	401.1	-10.2
Shareholders' equity	371.8	370.2	-1.6
Valuation and translation adjustments and others	19.2	10.7	-8.5
Stock acquisition rights	0.2	0.3	+0.1
Minority interests in consolidated subsidiaries	20.0	19.8	-0.2

Note: For more information, see the Financial Statements Summary for the six months ended September 30, 2008.

◆ Nonoperating items

(¥bn)	FY07 1H	FY08 1H	Diff.
Interest income	0.3	0.3	-0.0
Dividend income	0.7	0.7	-0.0
Foreign exchange gain	0.7	0.7	+0.0
Other income	0.6	0.8	+0.2
Nonoperating revenues total	2.3	2.5	+0.2
Interest expense	5.4	4.9	-0.5
Equity in losses of unconsolidated subsidiaries and affiliates	0.0	1.5	+1.5
Other expenses	2.6	2.3	-0.4
Nonoperating expenses total	8.0	8.7	+0.6
Nonoperating items total	-5.7	-6.2	-0.4

◆Extraordinary items

	(¥bn)	FY07 1H	FY08 1H	Diff.
Gain on prior term adjustments		-	0.4	+0.4
Others		1.7	0.1	-1.6
Extraordinary income total		1.7	0.5	-1.2
Loss on disposal and sales of fixed assets		0.7	0.8	+0.1
Loss on impairment		4.6	0.3	-4.3
Special factory operating loss		1.5	1.3	-0.2
Others		2.0	0.9	-1.1
Extraordinary losses total		8.9	3.3	-5.5
Extraordinary items total		-7.2	-2.9	+4.3

◆ Consolidated Statements of Income

	FY07 Q2		FY08 Q2		Diff.	
	Amount	% of total	Amount	% of total	Amount	%
(¥bn)						
Net Sales	261.3	100.0%	253.2	100.0%	-8.0	-3.1%
Cost of sales	196.3	75.2%	195.9	77.4%	-0.4	-0.2%
Gross profit	64.9	24.8%	57.3	22.6%	-7.6	-11.7%
SG & A	48.4	18.5%	50.9	20.1%	+2.5	+5.1%
Operating income	16.5	6.3%	6.4	2.5%	-10.1	-61.0%
Nonoperating items (net)	-4.6	-	-4.2	-	+0.4	-
(Balance of financial expenses)	-2.8	-	-2.3	-	+0.5	-
(Equity on gains and losses of unconsolidated subsidiaries and affiliates)	0.2	-	-0.4	-	-0.6	-
Ordinary income	11.9	4.6%	2.3	0.9%	-9.6	-80.9%
Extraordinary items(net)	-7.2	-	-2.3	-	+5.0	-
Income before income taxes	4.7	1.8%	0.0	0.0%	-4.7	-99.5%
Income taxes	2.3	0.9%	2.4	1.0%	+0.1	+4.3%
Minority interest (net)	0.4	-	-0.1	-	-0.5	-
Net income	2.0	0.8%	-2.3	-	-4.3	-

Note: For more information, see the Financial Statements Summary for the six months ended September 30, 2008.

◆ Operating Results by Segment (Comparison with FY07 Q2)

(¥bn)	Sales				Operating income			
	FY07 Q2	FY08 Q2	Diff.	%	FY07 Q2	FY08 Q2	Diff.	%
Synthetic Fibers	79.4	79.2	-0.1	-0.2%	5.2	0.8	-4.4	-83.9%
Films & Plastics	75.2	71.6	-3.6	-4.8%	7.2	1.8	-5.4	-75.0%
Pharma. & H.H.C.	27.4	28.2	+0.8	+2.8%	3.8	4.8	+1.0	+27.7%
Trading & Retail	68.2	63.0	-5.3	-7.7%	1.7	1.3	-0.4	-24.2%
IT & New Products, etc.	11.1	11.3	+0.2	+2.0%	0.9	0.8	-0.1	-10.0%
Elimination & Corporate	-	-	-	-	-2.3	-3.1	-0.8	+34.3%
Total	261.3	253.2	-8.0	-3.1%	16.5	6.4	-10.1	-61.0%

◆ Qualitative Operating Results by Segment

		FY 2007				FY 2008	
		Q1	Q2	Q3	Q4	Q1	Q2
		(¥bn)					
Sales	Synthetic Fibers	78.0	79.4	79.8	80.5	76.3	79.2
	Films & Plastics	72.6	75.2	73.8	72.2	64.6	71.6
	Pharma. & H.H.C.	28.3	27.4	31.3	27.4	29.0	28.2
	Trading & Retail	60.6	68.2	70.3	66.8	57.2	63.0
	IT & New Products, etc.	9.0	11.1	9.7	15.1	9.6	11.3
	Total	248.5	261.3	264.9	262.0	236.6	253.2
Operating income	Synthetic Fibers	6.5	5.2	5.8	6.9	3.3	0.8
	Films & Plastics	5.4	7.2	6.0	1.6	2.1	1.8
	Pharma. & H.H.C.	6.0	3.8	7.5	4.4	5.9	4.8
	Trading & Retail	0.6	1.7	1.8	1.2	0.7	1.3
	IT & New Products, etc.	-0.3	0.9	0.2	2.8	-0.3	0.8
	Elimination & Corporate	-1.7	-2.3	-2.3	-3.7	-3.0	-3.1
Total	16.5	16.5	19.0	13.2	8.6	6.4	

◆ Overview of Main Subsidiaries

(¥bn)

		FY 2007				FY 2008		
		Q1	Q2	Q3	Q4	Q1	Q2	
Sales	Synthetic Fibers	<i>Teijin Fibers</i>	38.7	37.7	34.5	38.2	38.1	37.9
		Three fibers companies in Southeast Asia	18.3	19.0	20.4	19.4	17.8	17.4
		Total	57.0	56.6	54.9	57.6	56.0	55.1
		Aramid fibers business	22.5	23.1	25.0	22.6	23.6	24.2
		<i>Toho Tenax</i> group Carbon fibers only	9.4	9.7	8.9	9.8	9.4	10.8
	F&P	Films business group	27.9	28.8	28.5	27.5	26.2	28.5
	Plastics business group	48.9	50.7	49.0	48.2	41.4	45.9	
Operating Income	Synthetic Fibers	<i>Teijin Fibers</i>	0.4	-0.3	-0.6	0.2	-0.2	-0.7
		Three fibers companies in Southeast Asia	-0.4	-0.6	0.2	0.4	-0.8	-1.0
		Total	-0.0	-0.9	-0.4	0.6	-1.0	-1.7
		Aramid fibers business	6.3	5.7	7.3	6.6	5.6	4.2
		<i>Toho Tenax</i> group Carbon fibers only	1.6	1.7	1.1	1.8	0.7	0.9
	F&P	Films business group	1.7	2.2	1.9	0.2	1.3	1.0
	Plastics business group	3.9	5.2	4.2	1.5	1.0	0.9	

Notes:1. FY08 : Teijin Fibers made TS Aromatics Limited (JV with Showa Shell Sekiyu K.K.) a consolidated subsidiary.

2. Figures for the three fiber companies in SE Asia are aggregate totals for the three companies

3. The "aramid fibers business" includes the Teijin Aramid (former *Twaron*) group and the aramid fibers business of Teijin Techno Products Limited

◆ Supply capacity for PAN-based carbon fibers (partially estimated)

<Tons>

	2006	2007	2008	2009
TTJ (JPN)	3,700	3,700	6,400	6,400
TTA (USA)	2,000	2,000	2,000	2,000
TTE (GER)	3,400	3,400	3,400	5,100
Toho Group total	9,100	9,100	11,800	13,500
Other manufacturers	30,650	43,250	52,350	62,650
PAN-based carbon fiber total	39,750	52,350	64,150	76,150
Change (%)	17	32	23	19

◆ Supply capacity for Oxidized PAN Fiber

Toho Group total	2,000	2,000	2,000	2,000
-------------------------	--------------	--------------	--------------	--------------

* TTJ= Toho Tenax Co. Ltd.

* TTA= Toho Tenax America, Inc.

* TTE= Toho Tenax Europe GmbH

* Production capacity is based on year-end figures.

◆ Demand forecast for PAN-based carbon fibers (outlook by application)

<Tons>

	2006	2007	2008	2012
Aerospace	5,550	6,140	6,820	10,760
Recreation	6,100	8,090	8,370	8,210
Industrial	14,810	16,850	20,530	36,500
Total	26,460	31,080	35,720	55,470

◆ Sales of Principal Pharmaceuticals

(¥bn)

Product	Indication	FY07				FY08	
		Q1	Q2	Q3	Q4	Q1	Q2
<i>Bonalon</i>	Osteoporosis	4.1	4.2	5.7	4.2	5.1	4.7
<i>Onealfa</i>	Osteoporosis	3.1	3.0	3.5	2.9	2.9	2.9
Osteoporosis total		7.2	7.2	9.2	7.2	8.0	7.7
<i>Mucosolvan</i>	Expectorant	2.8	2.3	3.5	2.5	2.6	2.2
<i>Venilon</i>	Severe infection	2.5	2.1	2.4	1.8	2.1	2.0
<i>Laxoberon</i>	Laxative	1.2	1.2	1.4	1.0	1.2	1.2

Bonalon[®] is the registered trademark of Merck & Co., Inc., Whitehouse Station, NJ, USA.

◆ Principal Pharmaceuticals in Current Portfolio

(As of Sep 30, 2008)

Therapeutic Area	Product	Indication	Medicinal Properties/ Characteristics	Dosage Form	Remarks
Bone and joint disease	<i>Bonalon</i> [®]	Osteoporosis	<ul style="list-style-type: none"> Alendronate chosen by many osteoporosis guidelines as the preferred treatment; acts as a specific inhibitor of osteoclast-mediated bone resorption, thereby increasing bone density Proven effective in minimizing the risk of fracture regardless of patient age, gender or degree of bone density loss Complementing its 5mg tablet for once-daily dosing, in September 2006 Teijin launched <i>Bonalon</i>[®] 35mg tablet, the first once-weekly drug for osteoporosis to gain approval in Japan. This new version achieves the same therapeutic effects while reducing the burden on patients. 	Oral (tablet)	Licensed-in from Merck (USA)
	<i>Onealfa</i> [®]	Osteoporosis	<ul style="list-style-type: none"> Active vitamin D₃ preparation proven to improve bone metabolism and minimize the risk of fracture Easy-to-take small tablet also developed 	Oral (tablet, solution)	Developed in-house

Bonalon[®] is the registered trademark of Merck & Co., Inc., Whitehouse Station, NJ, USA.

Therapeutic Area	Product	Indication	Medicinal Properties/ Characteristics	Dosage Form	Remarks
Respiratory disease	<i>Mucosolvan</i> [®]	Expectorant	<ul style="list-style-type: none"> Acts by stimulating the secretion of surfactants and other secretions in the respiratory tract, effectively facilitating expectoration of phlegm regardless of its properties Six dosage forms available, including <i>Mucosolvan</i>[®] Tablet and <i>Mucosolvan</i>[®] L Capsule (once-daily dosing) 	Oral (tablet, L capsule, syrup, dry syrup [two versions])	Licensed-in from Boehringer Ingelheim (Germany)
	<i>Alvesco</i> [®]	Asthma	<ul style="list-style-type: none"> Japan's first once-daily steroid preparation for adults. Increased compliance is anticipated. An inhaled steroid that directly targets areas in the lung to be stimulated, this drug reduces side-effects affecting the oropharynx. 	Aerosol spray	Licensed-in from Nycomed (Switzerland)
Cardiovascular and metabolic disease	<i>Tricor</i> [®]	Hyper lipidemia	<ul style="list-style-type: none"> Reduces triglyceride levels while elevating high-density lipoprotein (HDL) cholesterol; in large-scale clinical trials has been shown effective in lowering blood lipids in individuals with type 2 diabetes, thereby helping to prevent cardiovascular events Once-daily dosing for easy use by middle-aged and elderly people suffering from lifestyle-related illnesses 	Oral (capsule)	Licensed-in from Aska Pharmaceutical

Therapeutic Area	Product	Indication	Medicinal Properties/ Characteristics	Dosage Form	Remarks
Others	<i>Kenketsu Venilon</i> [®] -I	Severe infection, Kawasaki disease	<ul style="list-style-type: none"> The first plasma fractionation-derived intravenous-use human immunoglobulin therapy developed in Japan using domestic technology Manufactured using plasma from blood donated in Japan; the only human immunoglobulin treatment storable at room temperature 	Injection	Joint development with Kaketsuken (The Chemo-Sero-Therapeutic Research Institute)
	<i>Bonalfa</i> [®] *1	Psoriasis	<ul style="list-style-type: none"> Treatment for hyperkeratosis that acts by preventing the hyperproliferation of skin cells and inducing cell differentiation An active vitamin D₃ preparation, available in three forms, with ointment offered in two concentrations (2μg/g, 20μg/g), that responds to a wide variety of treatment needs 	Ointment, cream, lotion	Developed in-house
	<i>Laxoberon</i> [®]	Laxative, colonic evacuation	<ul style="list-style-type: none"> Relieves constipation by stimulating bowel movement and softening stool Solution enables adjustment of dose to suit patient; also appropriate for colonic evacuation prior to investigational procedures 	Oral (solution, tablet)	Licensed-in from Boehringer Ingelheim (Germany)
	<i>Anact</i> [®] C *2	Treatment for thrombosis caused by congenital protein C deficiency	<ul style="list-style-type: none"> The world's first human activated protein C concentrate. An orphan drug, Anact[®]C is approved by the Ministry of Health, Labour and Welfare for the treatment of deep vein thrombosis, acute pulmonary embolism and fulminant purpura caused by congenital protein C deficiency. 	Injection	Joint development: Kaketsuken

*1 In August 2008, a new indication for *Bonalfa*[®] (lifting of restrictions on use in the treatment of nonintractable disease) was approved.

*2 *Anact*[®]C was approved in September 2000 for the treatment of deep vein thrombosis and acute pulmonary embolism caused by congenital protein C deficiency. On October 20, 2006, *Anact*[®]C was also approved as an orphan drug for the treatment of fulminant purpura.

◆ Development Status of New Pharmaceuticals

(As of Sep 30, 2008)

【Filed】

Code No. (Generic Name)	Target Disease	Medicinal Properties/ Characteristics	Dosage Form	Remarks
TMX-67 (Febuxostat)	Gout and hyperuricemia	XOD inhibitor	Oral	Developed in-house, preparing for reapplication in Japan

【Phase III】

Code No. (Generic Name)	Target Disease	Medicinal Properties/ Characteristics	Dosage Form	Remarks
GGs (Freeze-Dried Sulfonated Human Normal Immunoglobulin)	Churg–Strauss Syndrome	Human immunoglobulin	Injection	Joint development with Kaketsuken (new indication)
GGs (Freeze-Dried Sulfonated Human Normal Immunoglobulin)	Multiple Sclerosis	Human immunoglobulin	Injection	Joint development with Kaketsuken (new indication)
BTR-15K (Ciclesonide)	Asthma	Inhaled steroid	Inhaled	Licensed-in from Nycomed (Switzerland) (New indication: asthma in children)

【Phase II】

Code No. (Generic Name)	Target Disease	Medicinal Properties/ Characteristics	Dosage Form	Remarks
TMA-15 (Urtoxazumab) ^{*1}	STEC (O-157) infection	Humanized monoclonal antibody	Injection	Developed in-house
ITM-014 (Lanreotide acetate)	Acromegaly	Sustained-release formulation of somatostatin analogue	Injection	Licensed-in from Beaufour Ipsen (France)
TPC-806	Cardiac disease	Chymase inhibitor	Oral	Developed in-house
GTH-42V	Osteoporosis	Alendronate	Injection	Licensed-in from Merck (US)

*1 Phase II clinical trials are underway overseas for TMA-15.

【Phase I】

Code No. (Generic Name)	Target Disease	Medicinal Properties/ Characteristics	Dosage Form	Remarks
LTC-203 (Drotrecogin Alfa [activated])	Severe sepsis	Recombinant-activated protein C	Injection	Joint development with Eli Lilly (Japan), licensed-in from Eli Lilly (US)
ITM-077	Type II Diabetes	Human glucagon-like peptide 1 analog	Injection	Licensed-in from Beaufour Ipsen (France)
TMA-15 (Urtoxazumab) ^{*2}	STEC (O-157) infection	Human monoclonal antibody	Injection	Developed in-house
NTC-801	Atrial fibrillation and flutter	Selective anti-arrhythmia agent	Oral	Joint development with Nissan Chemical Industries, Ltd
ITM-058	Osteoporosis	Human PTHrP analog	Injection	Licensed in from Beaufour Ipsen (France)

*2 Phase I clinical trials have begun in Japan for TMA-15.

◆ Development Status by Therapeutic Area

(As of Sep 30, 2008)

Area	Phase of Clinical Trials				
	Phase I	Phase II	Phase III	Filed	Approved/New Launch
Bone and joint disease	ITM-058	GTH-42V			
Respiratory disease			BTR-15K *1 (New indication: asthma in children)		
Cardio-vascular and metabolic disease	LTC-203 ITM-077 NTC-801	ITM-014 TPC-806		TMX-67 (Japan:Under additional clinical trials)	
Other	TMA-15 (Domestic)	TMA-15 (Overseas)	GGS <i>Venilon</i> ® (New indication for multiple sclerosis) GGS <i>Venilon</i> ® (New indication for Churg- Strauss Syndrome)		TV-02HS *2 [<i>Bonalfa</i> ® High Lotion] (New indication: Lifting of restrictions on use in treatment of nonintractable diseases)

*1 BTR-15K entered Phase III clinical trials in June 2008.

*2 In August 2008, the lifting of restrictions on TV-02 HS's use in the treatment of nonintractable diseases was approved.

◆ Status of Licensed-in Products in Preclinical Stage

Contract	Company	Description
July 2003	Beaufour Ipsen (France)	Four products under cross-licensing agreements: ITM-014 , ITM-077 and ITM-058 are under clinical development, with the remaining one in preparatory stages
April 2005	Glenmark Pharmaceuticals (India)	Licensing agreement for clinical stage for COPD and asthma agent
March 2008	Dong Wha Pharmaceutical Industrial Co., Ltd. (ROK)	Licensing agreement for osteoporosis drug

TEIJIN*Human Chemistry, Human Solutions*

Human Chemistry, Human Solutions

The promise of the Teijin brand is summed up in the resonant statement: "Human Chemistry, Human Solutions".

Our promise is to continue to develop chemical technologies that are friendly to both people and the global environment. It is to keep providing solutions that deliver the real value that society and our customers expect.

We will certainly keep this promise. Constantly working to enhance the Quality of Life –our very reason for being as a company– the Teijin Group will continue to win the trust of society and our customers.