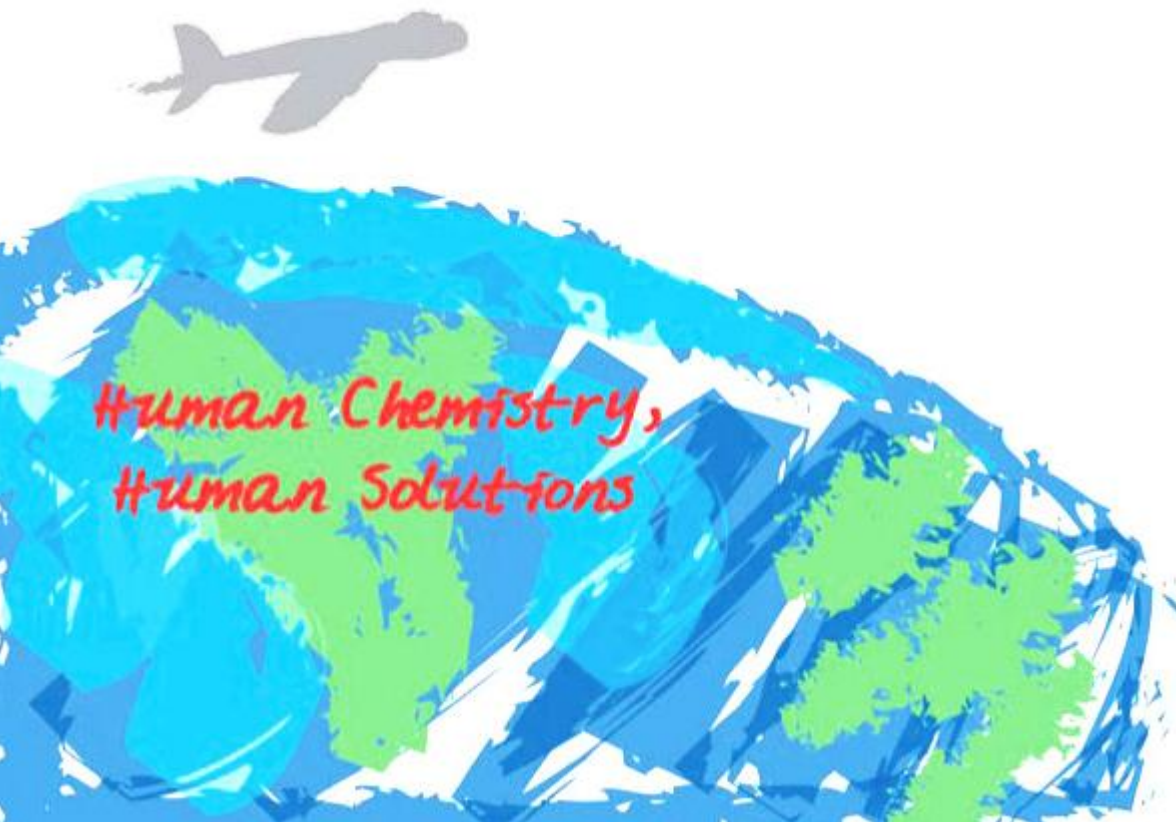

Flash Report

-Result of Q3 & Outlook for FY08-



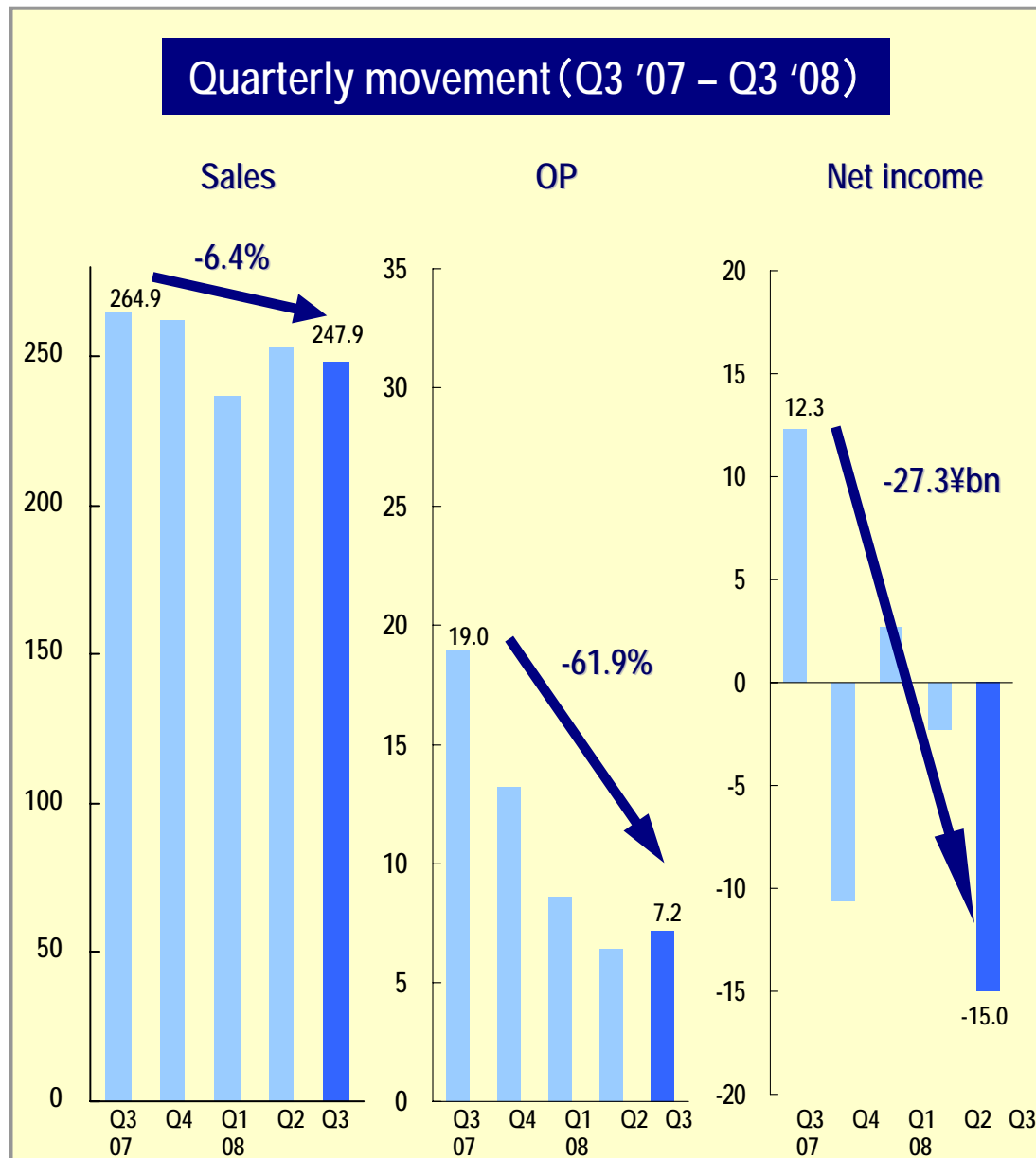
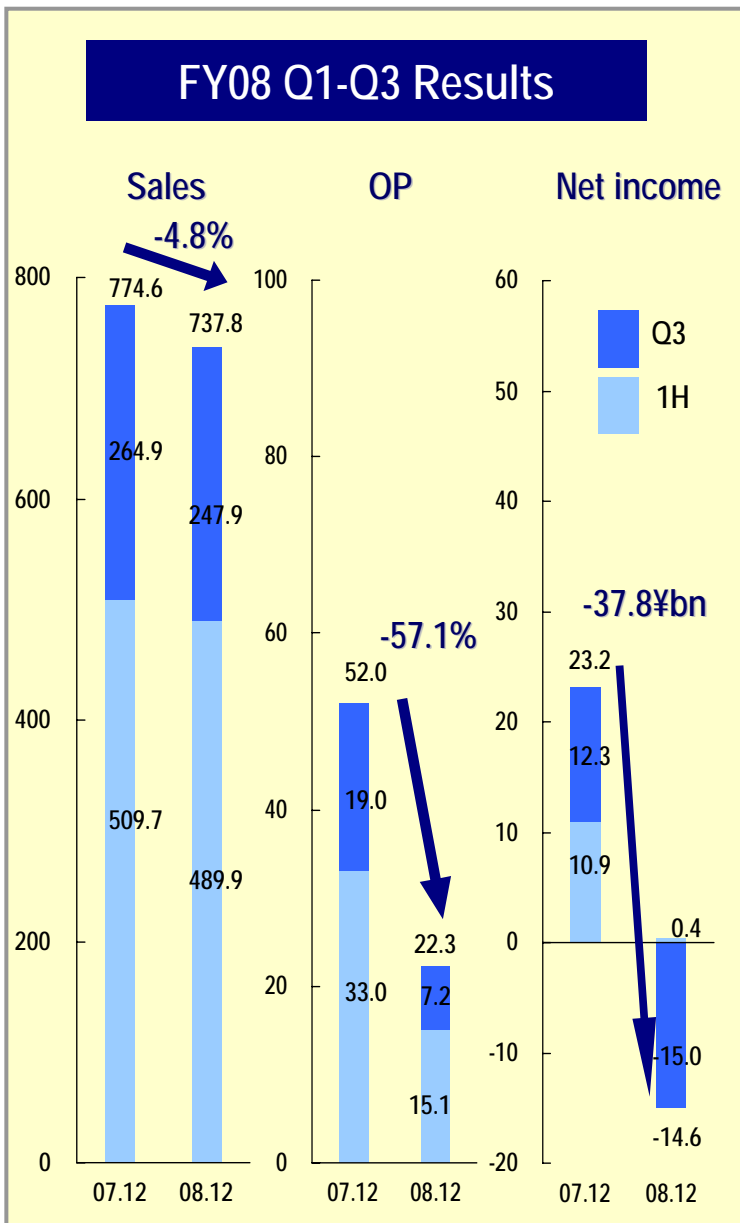
ECOCIRCLE™:
the closed-loop recycling system



Teijin Limited
January 30, 2009

(1) Consolidated Results Highlights

(¥bn)



(2) Operating Results for FY08 Q1-Q3

◆ Operating Results

	FY07	FY08	Diff.	
			Amount	%
Net sales	774.6	737.8	-36.8	-4.8%
OP	52.0	22.3	-29.7	-57.1%
OP margin	6.7%	3.0%	-	-3.7%
Nonoperating items (net)	-8.0	-15.5	-7.5	-
Ordinary income	44.0	6.8	-37.2	-84.6%
Extraordinary items (net)	-3.8	-13.1	-9.3	-
Income before income taxes	40.2	-6.3	-46.5	-
Income taxes	16.0	8.9	-7.1	-44.4%
Minority interest of consolidated subsidiaries(net)	0.9	-0.7	-1.6	-
Net income	23.2	-14.6	-37.8	-
EPS (¥)	24.42	-14.83	-39.25	-

EBITDA*	97.8	72.7	-25.1
CAPEX	53.8	56.4	+2.7
Depreciation & amortization	45.8	50.3	+4.6
R&D expenses	26.6	28.5	+1.9

*EBITDA = Operating income + Depreciation & amortization

- OP down in the Synthetic Fibers and the Films and Plastic segments, owing to flagging market conditions
- Nonoperating expenses rose, reflecting equity in losses of unconsolidated subsidiaries and affiliates
- Net extraordinary losses worsened as a consequence of a decline in gain on sales of investment securities, loss on impairment and unrealized holding losses on securities
- In November 2008, we began implementing production adjustments in most of our core materials businesses

◆ PL exchange rate

	FY07 Q1-Q3	FY08 Q1-Q3
¥/US\$	119	106
¥/€	160	161
US\$/€	1.34	1.52

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

◆ Financial Position

(¥bn)	Mar. 31, '08	Dec. 31, '08	Diff.
Total assets	1,016.0	1,033.5	+17.5
Shareholders' equity	391.0	347.6	-43.4
Interest-bearing debt	325.2	416.8	+91.5

D/E ratio	0.83	1.20	+0.37
Shareholders' equity ratio	38.5%	33.6%	-4.8%
BPS (¥)	397.3	353.2	-44.0

- Total assets: Up, reflecting higher inventories and the acquisition of a U.S. 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 provided by operating activities: depreciation and amortization of others offset net loss and higher inventories
- Cash and cash equivalents used in investing activities: purchases of property, plant and equipment and shares of newly consolidated subsidiaries

◆ Cash Flows

(¥bn)	Operating activities	Investing activities	FCF	Financing activities	Cash & cash equivalents
FY08(Q1-Q3)	6.2	-90.5	-84.2	97.2	13.0
FY07(Q1-Q3)	* 9.1	-51.3	-42.2	46.4	4.2

◇ BS exchange rate

	Dec. 31, '07	Sep. 30, '08
¥/US\$	114	104
¥/€	167	149
US\$/€	1.46	1.44

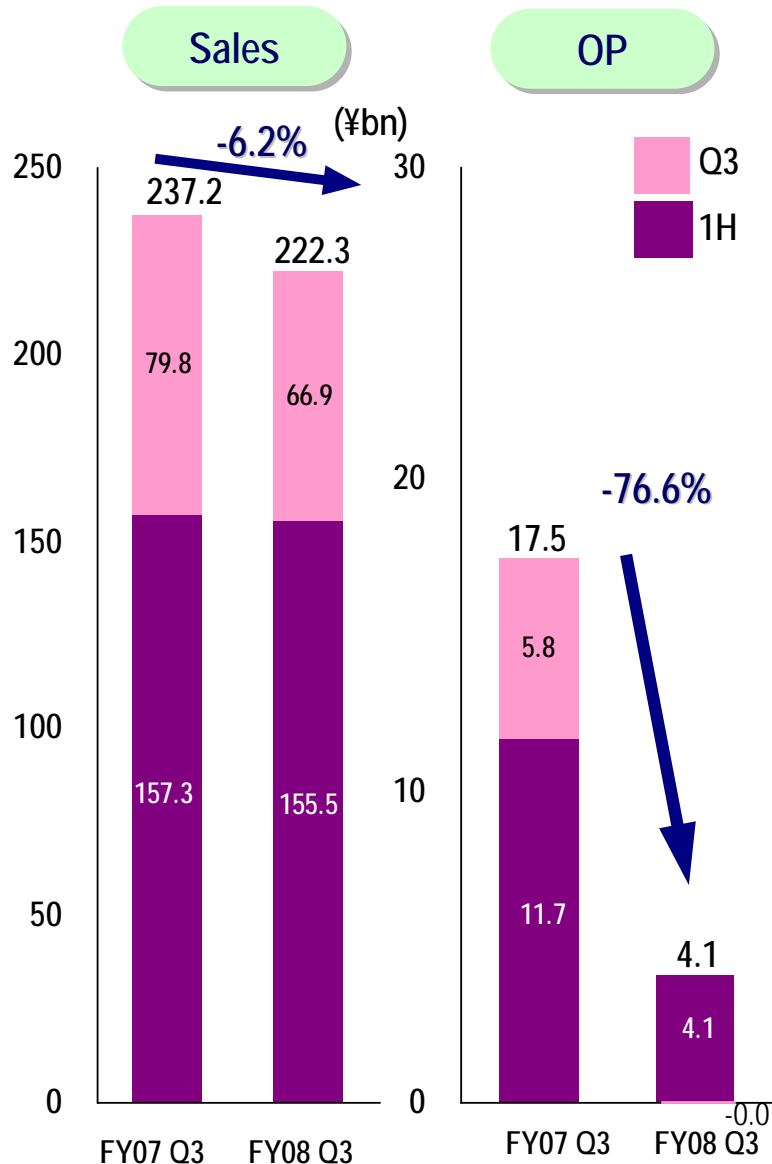
Note: Income taxes paid totaled ¥24.1 billion. Of this total, approximately ¥10.0 billion was accounted for by transient payments by a subsidiary in the Netherlands.

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

(3) Operating Results by Segment for FY08 Q1-Q3 (vs. FY07 Q1-Q3)

(¥bn)	Sales				OP			
	FY07	FY08	Diff.	% Change	FY07	FY08	Diff.	% Change
Synthetic Fibers	237.2	222.3	-14.8	-6.2%	17.5	4.1	-13.4	-76.6%
Films & Plastics	221.6	207.4	-14.2	-6.4%	18.7	5.3	-13.4	-71.8%
Pharma. & H.H.C.	87.0	93.2	+6.2	+7.1%	17.3	18.3	+1.0	+5.8%
Trading & Retail	199.1	184.1	-15.1	-7.6%	4.0	3.3	-0.8	-19.5%
IT & New Products, etc.	29.7	30.8	+1.1	+3.8%	0.7	0.8	+0.1	+10.5%
Elimination & Corporate	-	-	-	-	-6.3	-9.5	-3.1	-
Total	774.6	737.8	-36.8	-4.8%	52.0	22.3	-29.7	-57.1%

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



◆ Operating Results

- ◇ Polyester Fibers: Sales down, operating loss widened
- ◇ High Performance Fibers: Sales flat, OP down sharply

◆ Summary & Actions

◇ Polyester Fibers:

➤ Overall:

- Operating loss widened, owing to the impact of recessionary conditions and unfavorable exchange rates
- Signed agreement to license out production technology for heavy-metal-free polyester material
- Began commercial production of *Nanofront**

◇ High Performance Fibers:

- Aramid fibers: Firm until October, but faltered from November
 - Completed first phase of expansion of production facilities for *Twaron* (July 2008)
 - Income driven down by unfavorable exchange rates
- Carbon fibers: Sales were down sharply from September
 - Indications point to a decline in demand for wind power generators and other industrial applications

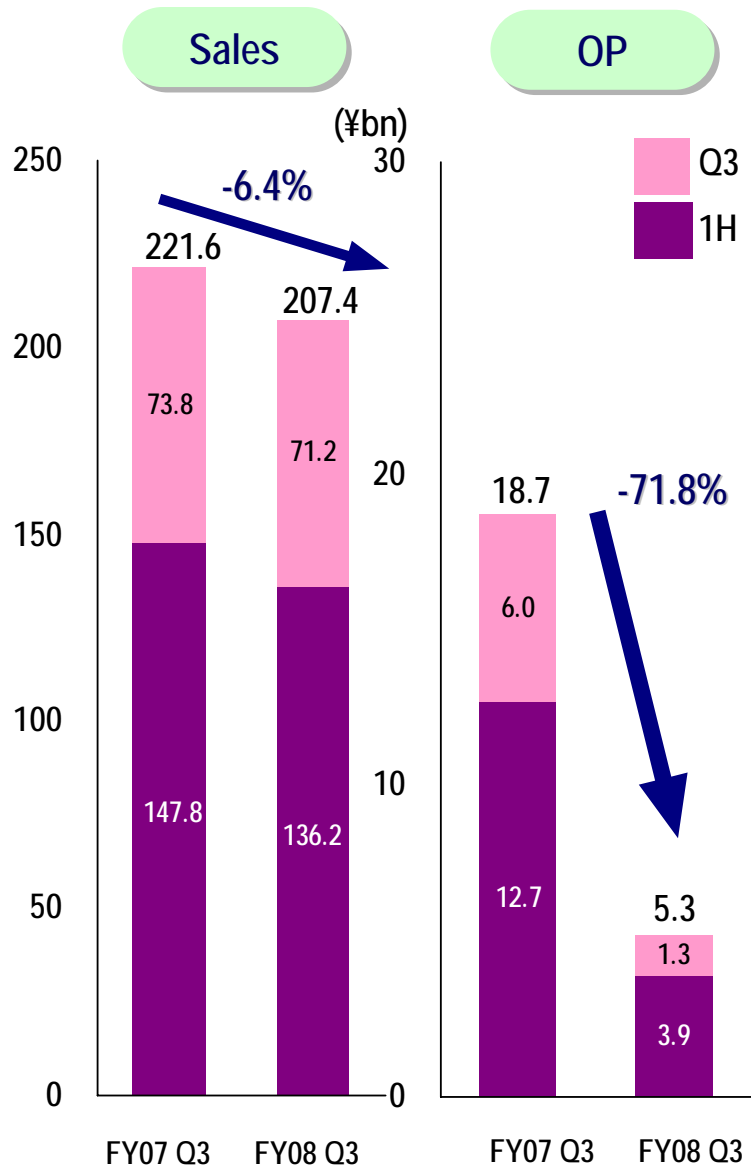
* A new high-strength polyester nanofiber

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

◆ Operating Results

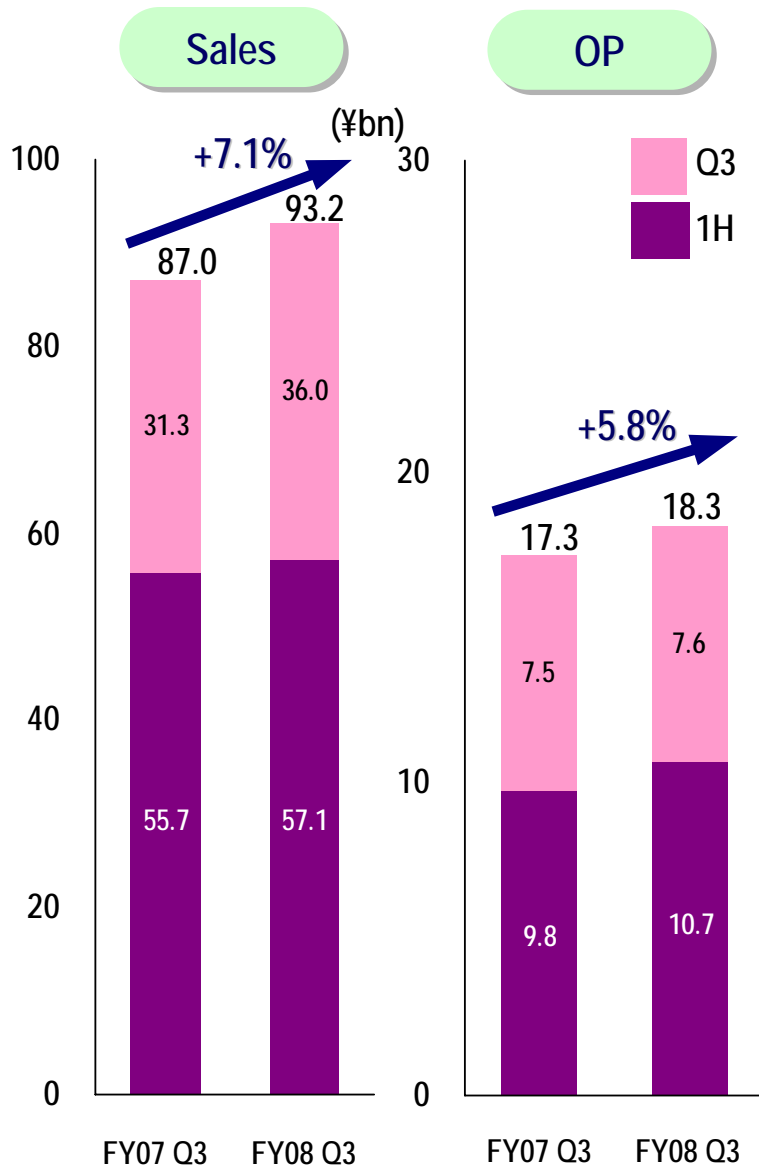
- ◇ Films: Sales and OP down
- ◇ Plastics: Sales down, sharp decline in OP

◆ Summary & Actions



- ◇ Films:
 - PET film (Japan): Sales were firm for FPDs and solar cells, but income declined, owing to high raw materials prices and fuel costs
 - PET film (USA): Sales were firm. Operating loss was level despite a decline in depreciation due to the application of impairment accounting, a consequence of rising raw materials prices and fuel costs
 - PEN film: Sales were firm for use in high-density data backup tapes
- ◇ Plastics:
 - Polycarbonate resin
 - Demand was down sharply
 - OP was down, reflecting wildly fluctuating crude oil prices and a rise in the value of the yen
 - Brought a portion of new facilities at Shanghai compounding plant on line (October 2008)
 - Processed polycarbonate resin products
 - Completed expansion of production facilities for clear electroconductive film for use on touch panels (October 2008) and stepped up shipments

③ Pharmaceuticals & HHC: Increase in sales and OP



◆ Operating Results

◇ Pharmaceuticals & HHC:

Sales expanded favorably despite revision of NHI drug reimbursement prices and medical service fees

◆ 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
 - Reported progress in R&D in the area of bone and joint disease: GTH-42V advanced to phase III clinical trials

◇ HHC:

- HOT: Rental volume remained high
- CPAP, SAFHS: Rental volumes were favorable
- Acquired U.S. home health care services provider** (June 2008)
- Agreed to establish JV*** with aim of entering the HHC business in Europe (December 2008)

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

*** JV partner: Laboratorios del Dr. Esteve S.A. (Spain)

TMX-67 (Treatment for Gout and Hyperuricemia)

Status of Current Filings

➤ USA

- July 2008 Refiles
- November 2008 FDA's Arthritis Advisory Committee recommends TMX-67 for approval
- January 2009 Receives notification from the FDA that review will continue past target date (January 18)

<Reasons for delay>

The FDA raised no issues with the submission, stating that the reason it was unable to conclude the review was that routine inspections at investigator sites and testing contracted to a clinical research vendor had not been completed.

➤ Europe

- April 2008 Obtains marketing authorization for the drug and is currently selecting sales agents for individual countries

➤ ROK

- July 2008 Files

➤ Japan

- Additional clinical trials underway in preparation for refiling

History of US Filings

- December 2004 Files
- October 2005 Receives notification of positive opinion
- February 2006 Refiles
- August 2006 Receives second notification of positive opinion

Teijin Pharma to Launch Home Health Care Business in Europe

JV partner:
Laboratorios del Dr. Esteve S.A.



About Laboratorios del Dr. Esteve S.A.

Establishment: 1929

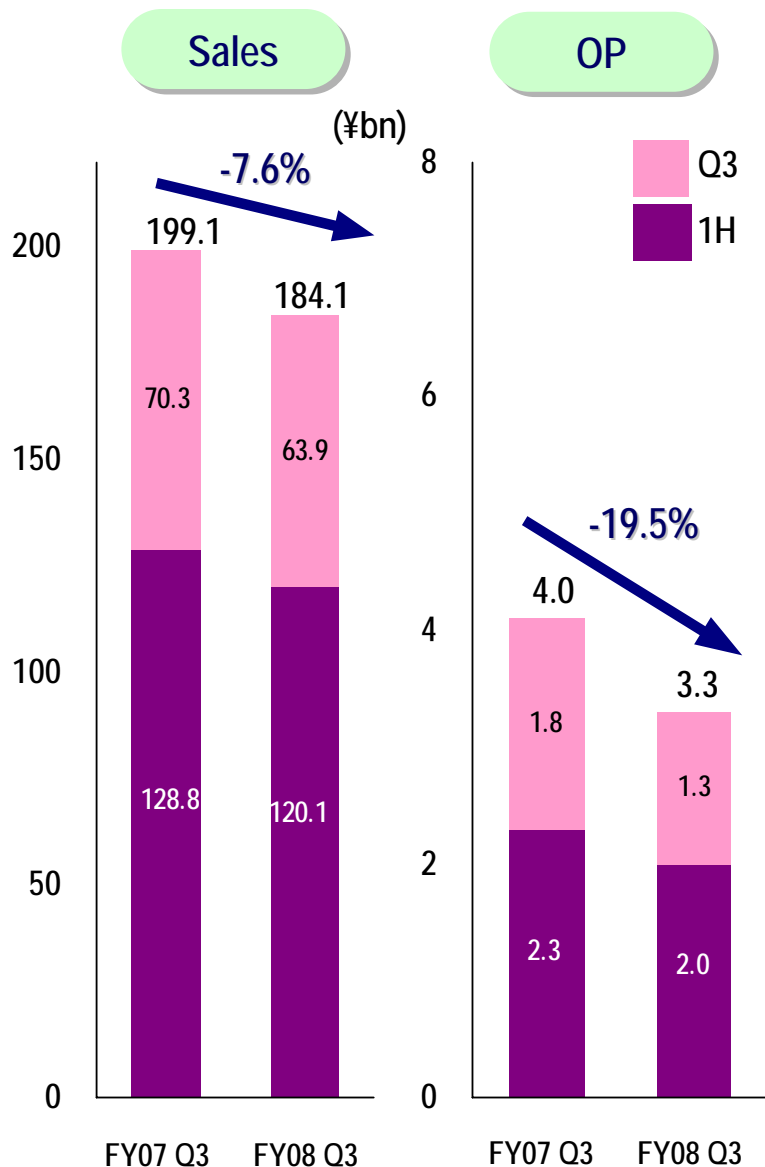
Location: Barcelona, Catalonia

Representative: Antoni Esteve, President

Number of employee: 2,908 (2007)

Sales: 765 million euros (2007)

④ Trading & Retail: Decline in sales and OP



◆ Operating Results

◇ Trading & Retail:

Market conditions for textiles and apparel flagged, while the profitability of industrial textiles and materials declined as the market softened drastically

◆ Summary & Actions

◇ Trading & Retail:

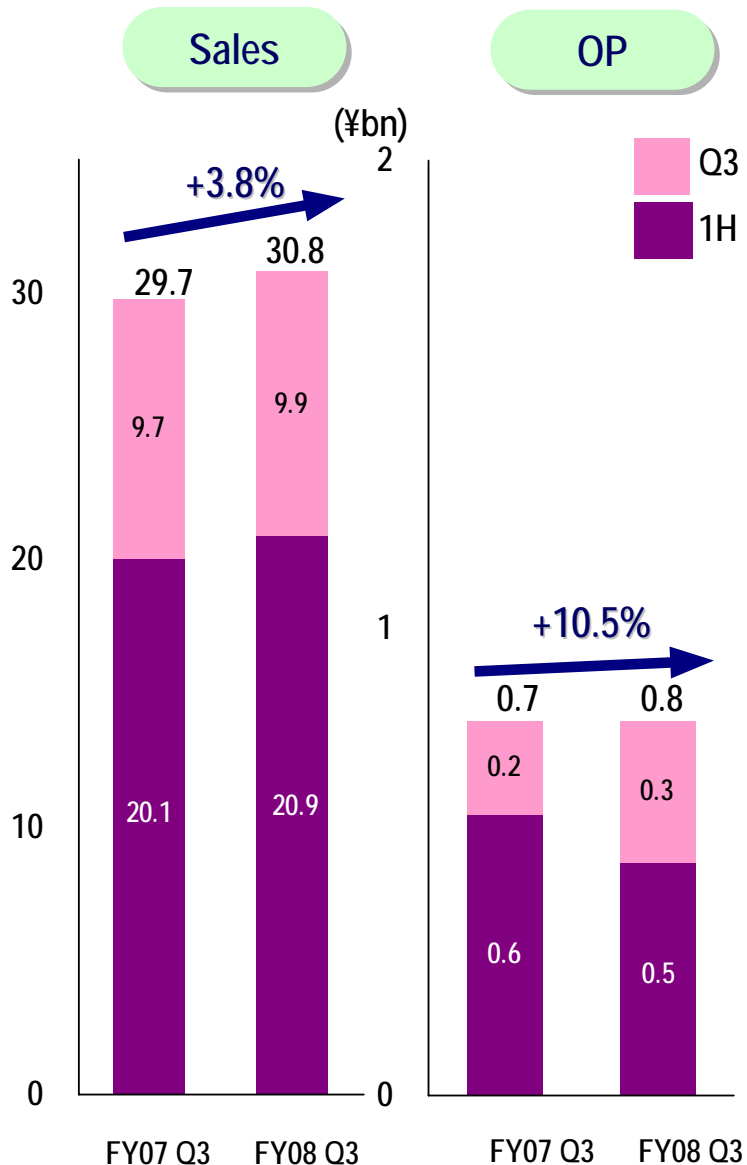
➤ Textiles and Apparel

- Sales increasingly sluggish from 3Q forward, owing to recessionary conditions
- Took steps to reinforce overseas production capabilities
- Continued efforts to cultivate markets in the Greater Tokyo Metropolitan Area

➤ Industrial Textiles & Materials

- Customers in automotive industries moved toward production adjustments in the 3Q
- Sales of textiles for civil engineering and construction applications, automotive interiors, and interior and home decorating products remained sluggish

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



◆ Operating Results

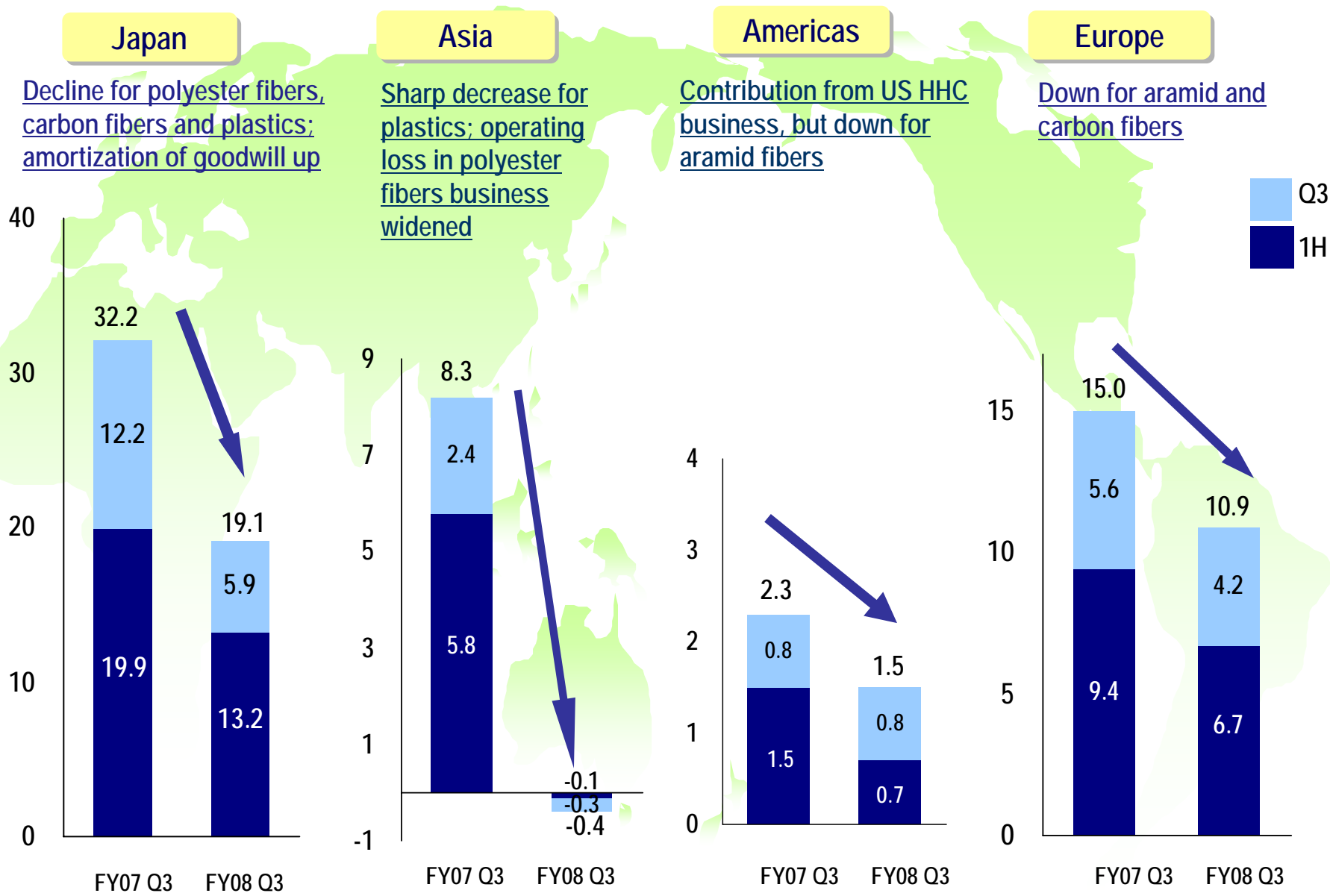
◇ IT: Sales up, operating loss reduced

◆ Summary & Actions

- ◇ IT:
- Services:
 - Promoted efforts to enhance scale of business by expanding mobile phone e-book distribution
 - ◇ New Products, etc.:
 - Bioplastics:
 - Broke ground on new pilot plant for *BIOFRONT* (December 2008) (completion scheduled for summer 2009)
 - R&D: Completed the Teijin Technology Innovation Center (April 2008)
 - Composite materials:
 - Acquired GH Craft Ltd. (June 2008)
 - Established Teijin Composites Innovation Center (July 2008)

(4) Changes in Operating Income by Geographical Segment

(¥bn)



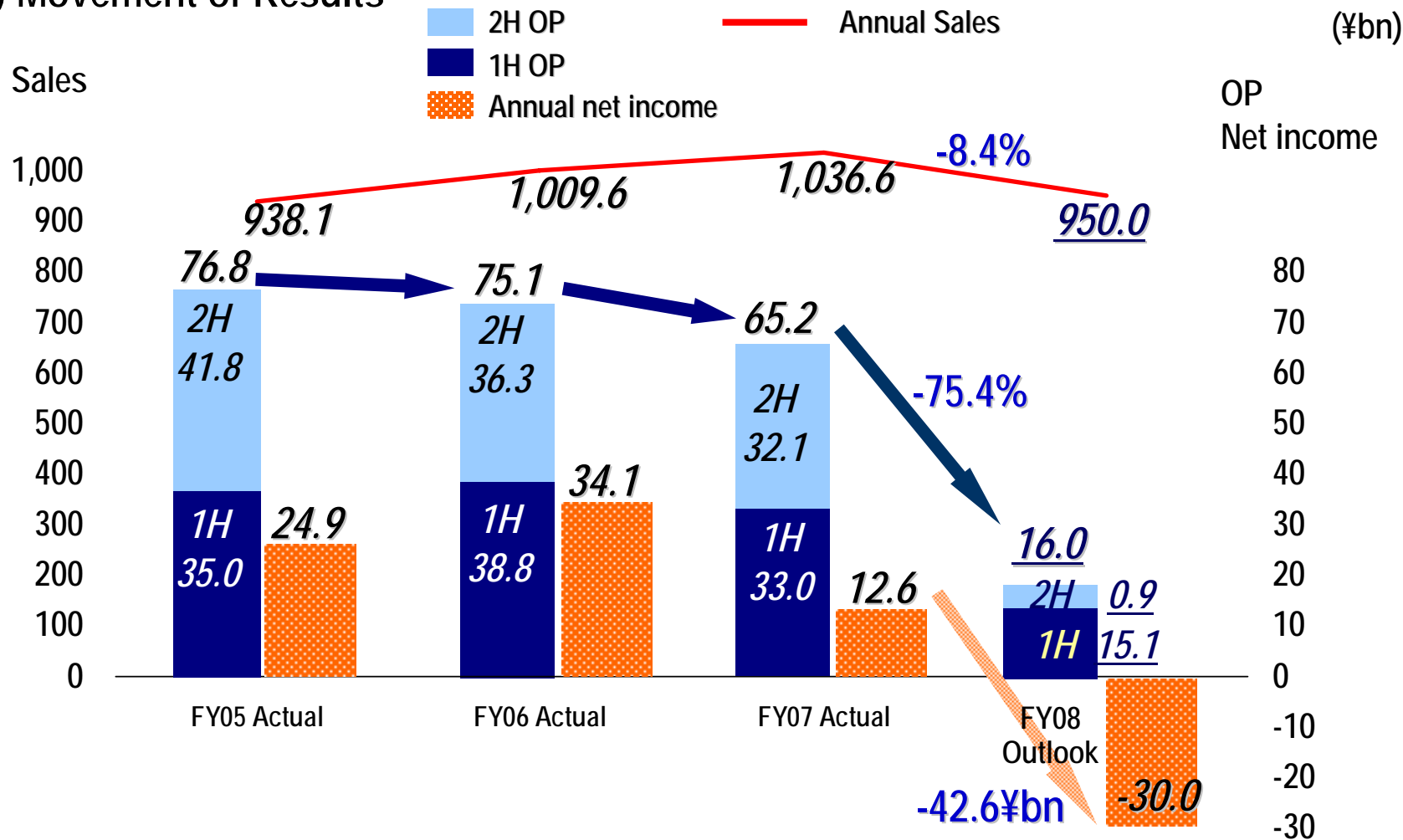
(5) Overview of Main Subsidiaries

		Net sales	OP					
			FY07 Q1-Q3	FY08 Q1-Q3	Diff.	FY07 Q1-Q3	FY08 Q1-Q3	Diff.
		(¥bn)						
Synthetic Fibers	<i>Teijin Fibers</i>	110.9	102.5	-8.4	-0.5	-3.7	-3.2	
	Three fibers companies in Southeast Asia	57.6	51.5	-6.1	-0.8	-2.3	-1.5	
	Total	168.5	154.0	-14.5	-1.3	-6.1	-4.8	
	Aramid fibers business	70.7	70.1	-0.6	19.4	14.6	-4.8	
	<i>Toho Tenax</i> group Carbon fibers only	28.0	29.2	+1.2	4.4	1.8	-2.6	
T&R	<i>NI Teijin Shoji</i> (Nonconsolidated results)	165.2	154.4	-10.8	3.3	2.8	-0.4	
F&P	Films business group	85.2	83.0	-2.2	5.7	3.5	-2.2	
	Plastics business group	148.6	132.7	-15.9	13.3	2.1	-11.2	
IT	<i>Infocom</i> (Nonconsolidated results)	16.4	18.0	+1.7	-0.9	-0.1	+0.8	

Notes:

1. FY08 Q1-Q3: 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

(1) Movement of Results



ROA(%)	8.5	7.7	6.5	1.6
ROE(%)	7.9	9.7	3.3	- 8.4
Operating margin (%)	8.2	7.4	6.3	1.7
D/E ratio	0.88	0.81	0.83	1.1

Note: ROA = OP / Total assets

◆ Business foundation: While pharmaceuticals, HHC and IT remain firm, materials businesses are experiencing a sharp contraction of demand—a rare occurrence

➤ Materials businesses	<ul style="list-style-type: none"> • Consumer demand is shrinking rapidly, particularly in mainstay automotive and electronics markets • In such markets, the impact of production adjustments by customers is exceeded by that of falling consumer spending
➤ Pharmaceuticals & HHC; IT	Remain firm

◆ Current market conditions in key materials businesses

• Polyester fibers	Sales are down sharply, particularly for apparel and automotive applications; falling raw materials prices and fuel costs are prompting customers to seek product price cuts
• Aramid fibers	Demand down since November, particularly for automotive applications
• Carbon fibers	Inventory adjustments by customers continue; sales for aircraft applications, wind power generators—previously comparatively strong—continue to decline
• PET film	Customers in the electronics industry in Taiwan as well as Japan are stepping up production cuts
•• Polycarbonate resin	<ul style="list-style-type: none"> • Shipments are down sharply, as the impact of flagging demand for use in optical discs is exacerbated by a sharp drop for general industrial applications, owing to production adjustments by customers • Falling prices for bisphenol-A (BPA) are pushing down sales prices

◆ Operating environment: Basic view is that markets will shrink, but will remain competitive

(2) Summary of Outlook for FY08

(¥bn)	FY07 Actual	FY08 Revised Outlook	Diff.	
			Amount	%
Net sales	1,036.6	950.0	-86.6	-8.4%
Operating income	65.2	16.0	-49.2	-75.4%
Operating margin	6.3%	1.7%	-	-4.6%
Ordinary income	46.3	-5.0	-51.3	-
Net income	12.6	-30.0	-42.6	-

FY08 Previous Outlook*	Comparison with Previous Outlook (Amount)
1,030.0	-80.0
46.0	-30.0
4.5%	-2.8%
33.0	-38.0
8.0	-38.0

Interim cash dividends: ¥3.0 per share; annual cash dividends: ¥5.0 per share (revised outlook)

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

EBITDA*	127.8	84.0	-43.8	-34.3%
CAPEX	84.6	75.0	-9.6	-11.4%
Depreciation & amortization	62.7	68.0	+5.3	+8.5%
R&D expenses	36.3	38.0	+1.7	+4.7%

114.0	-30.0
85.0	-10.0
68.0	-
38.0	-

* EBITDA = (Operating income + Depreciation & amortization)

*Previous outlook released on October 31, 2008.

	Dec 31, '08	Mar 31, '09	Diff.
Total assets	1,033.5	960.0	-73.5
(Inventory assets)	188.6	150.0	-38.6
Interest-bearing debt	416.8	370.0	-46.8

◇BS exchange rate	Sep 30, '08	Dec 31, '08
¥/US\$	104	91
¥/€	149	128
US\$/€	1.44	1.41

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

(3) 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	280.0	-37.6	24.4	-2.0	-26.4	7.7%	-
Films & Plastics	293.8	260.0	-33.8	20.2	0.0	-20.2	6.9%	-
Pharma. & H.H.C.	114.4	125.0	+10.6	21.7	24.0	+2.3	19.0%	19.2%
Trading & Retail	265.9	240.0	-25.9	5.3	3.0	-2.3	2.0%	1.3%
IT & New Products, etc.	44.8	45.0	+0.2	3.5	3.0	-0.5	7.8%	6.7%
Elimination & Corporate	-	-	-	-10.0	-12.0	-2.0	-	-
Total	1,036.6	950.0	-86.6	65.2	16.0	-49.2	6.3%	1.7%

(4) Movement of Quarterly Performance

(\\$bn)	FY07					FY08				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4 Outlook	Total
Net sales	248.5	261.3	264.9	262.0	1,036.6	236.6	253.2	247.9	212.2	950.0
Operating income	16.5	16.5	19.0	13.2	65.2	8.6	6.4	7.2	-6.3	16.0
Operating margin	6.7%	6.3%	7.2%	5.0%	6.3%	3.6%	2.5%	2.9%	-	1.7%
Ordinary income	15.4	11.9	16.7	2.3	46.3	6.6	2.3	-2.1	-11.8	-5.0
Net income	8.9	2.0	12.3	-10.6	12.6	2.7	-2.3	-15.0	-15.4	-30.0

EBITDA*	30.9	31.1	35.7	30.1	127.8	24.6	23.0	25.0	11.4	84.0
CAPEX	13.4	22.8	17.6	30.9	84.6	15.7	20.9	19.8	18.6	75.0
Depreciation & amortization	14.4	14.6	16.7	16.9	62.7	16.0	16.6	17.8	17.7	68.0
R&D expenses	8.1	9.4	9.1	9.6	36.3	9.1	9.5	9.9	9.5	38.0

*EBITDA = (Operating income + Depreciation & amortization)

(5) Qualitative Operating Results by Segment

		FY 2007				FY 2008			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 Outlook
(¥bn)									
Sales	Synthetic Fibers	78.0	79.4	79.8	80.5	76.3	79.2	66.9	57.7
	Films & Plastics	72.6	75.2	73.8	72.2	64.6	71.6	71.2	52.6
	Pharma. & H.H.C.	28.3	27.4	31.3	27.4	29.0	28.2	36.0	31.8
	Trading & Retail	60.6	68.2	70.3	66.8	57.2	63.0	63.9	55.9
	IT & New Products, etc.	9.0	11.1	9.7	15.1	9.6	11.3	9.9	14.2
	Total	248.5	261.3	264.9	262.0	236.6	253.2	247.9	212.2
Operating income	Synthetic Fibers	6.5	5.2	5.8	6.9	3.3	0.8	-0.0	-6.1
	Films & Plastics	5.4	7.2	6.0	1.6	2.1	1.8	1.3	-5.3
	Pharma. & H.H.C.	6.0	3.8	7.5	4.4	5.9	4.8	7.6	5.7
	Trading & Retail	0.6	1.7	1.8	1.2	0.7	1.3	1.3	-0.3
	IT & New Products, etc.	-0.3	0.9	0.2	2.8	-0.3	0.8	0.3	2.2
	Elimination & Corporate	-1.7	-2.3	-2.3	-3.7	-3.0	-3.1	-3.3	-2.5
Total	16.5	16.5	19.0	13.2	8.6	6.4	7.2	-6.3	

(6) Financial Highlights

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Outlook
ROA *1	5.9%	8.5%	7.7%	6.5%	1.6%
ROE *2	3.1%	7.9%	9.7%	3.3%	-8.4%
Operating margin	5.7%	8.2%	7.4%	6.3%	1.7%
D/E ratio	0.95	0.88	0.81	0.83	1.1
Shareholders' equity ratio *3	34.1%	35.9%	36.7%	38.5%	33.9%
Total asset turnover	1.03	1.04	1.04	1.03	0.96
Earnings per share (¥)	9.7	26.6	36.8	13.2	-30.5
Dividends per share (¥)	6.5	7.5	10.0	8.0	5.0
Total assets (¥bn)	852.0	944.0	999.9	1,016.0	960.0
Interest-bearing debt (¥bn)	277.0	298.3	295.5	325.2	370.0
EBITDA (¥bn) *4	104.2	127.1	129.1	127.8	84.0

*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

(7) Responding to drastic changes in the operating environment

➤ Basic policy: The current crisis is actually an opportunity

- Secure income and a positive cash flow by restraining costs and minimizing investments
- Take bold steps to restructure operations, including scaling back and withdrawing from certain businesses
- Achieve the prompt launch of TMX-67 in Europe and the United States and enhance contribution to income of Group HHC companies in these markets
- Ensure we are prepared for the next economic upswing

➤ Concrete strategies for minimizing costs and shrinking assets

- Implement a partial return of remuneration for directors and minimize personnel costs by continuing with the performance-based system for remuneration
- Ensure the appropriate management of personnel to best facilitate production adjustments
- Reduce capital investment significantly and promote stringent measures to minimize inventories in response to the current market environment
- Achieve considerable cost reductions by adopting zero-based budgeting for administrative expenses and revamping our approach to repair costs
- Streamline our corporate structure to enhance productivity and agility

➤ Prepare for the fact that conditions may get worse, i.e., that the operating environment may deteriorate further

- Introduce in-depth, effective, autonomous measures to further lower costs and reduce assets

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

The Teijin Group recognizes certain risks as having the potential to affect its operating results and/or financial position. As of the date of this document, these risks included, but were not limited to, the risks listed below. 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. With the impact of the financial crisis having spread to the real economy, however, there is a risk in the Group's materials businesses that shipments will continue to dwindle as demand abates.

(1) Market-related risk

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

(2) Product quality risk

Teijin's pharmaceuticals and home health care businesses manufacture and sell products that may affect the lives of users. Accordingly, quality issues relating to such products have the potential to negatively affect, among others, the Group's operating results, financial position and public reputation.

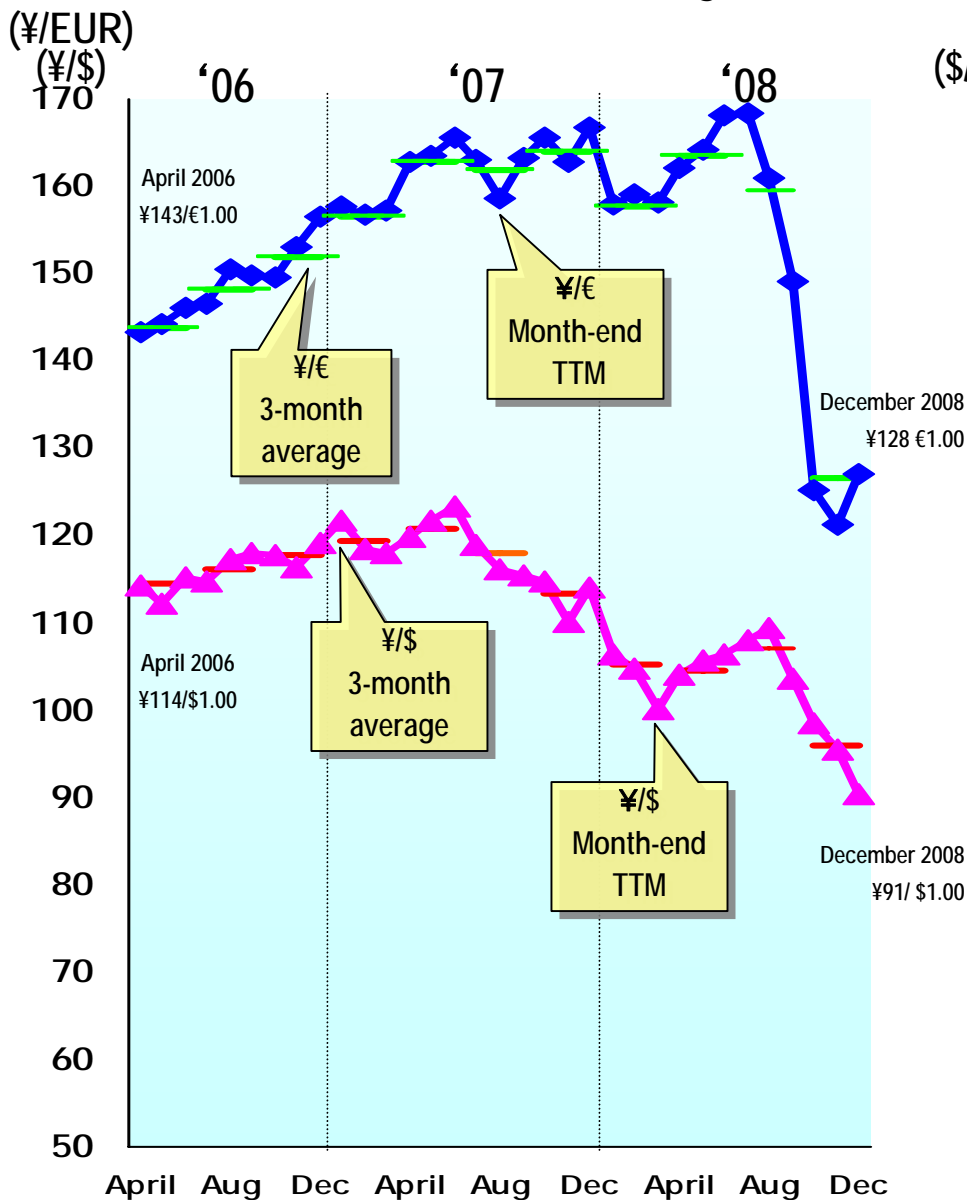
(3) R&D-related risk in the pharmaceuticals business

R&D in the pharmaceuticals business is characterized by significant investments of funds and time. Pharmaceuticals discovery research has a high incidence of failure to discover promising drugs. There are also risks that plans to apply for regulatory approval may be abandoned or that approval may be rescinded.

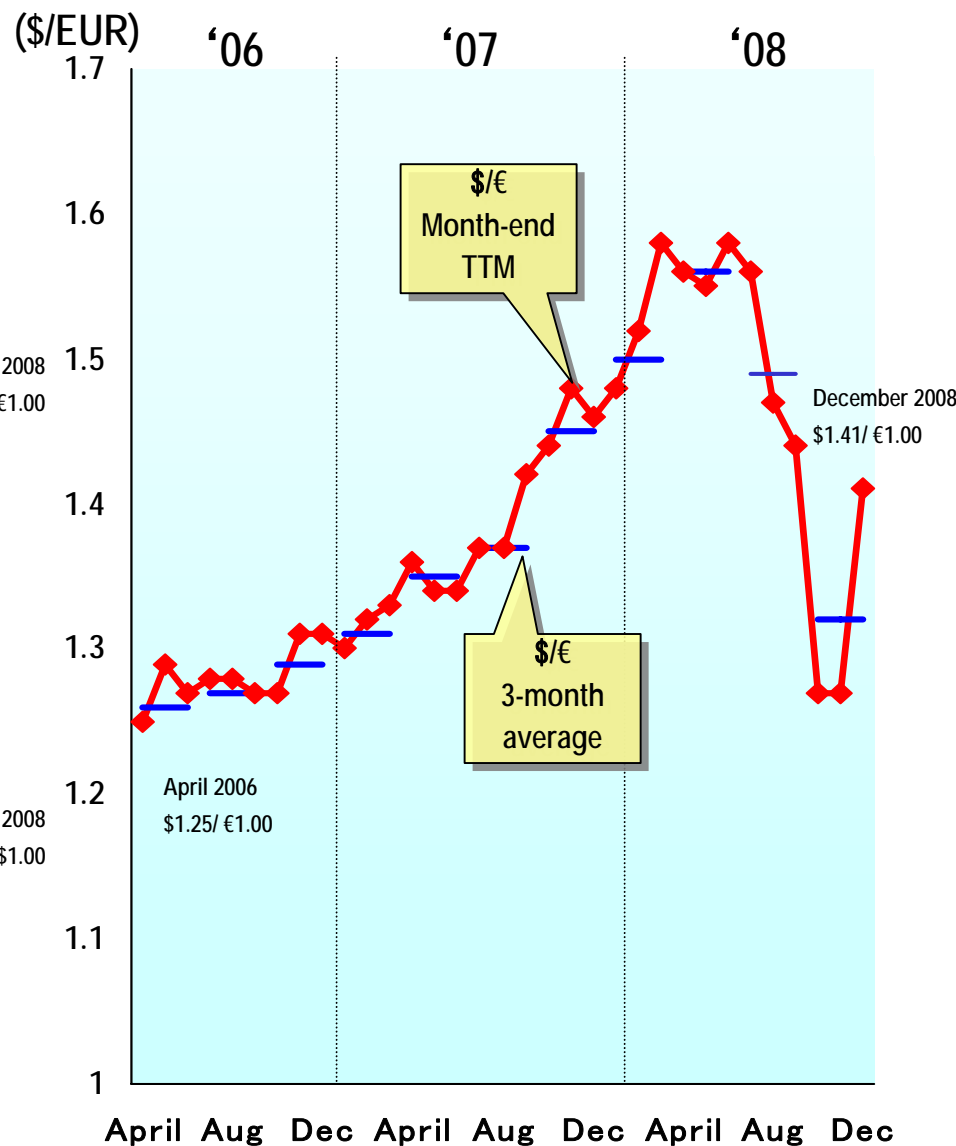
This material is based on the consolidated results for FY08 Q3 announced at 11:30 A.M. on January 30, 2009 (local time in Japan).

All product names in this document are registered trademarks.

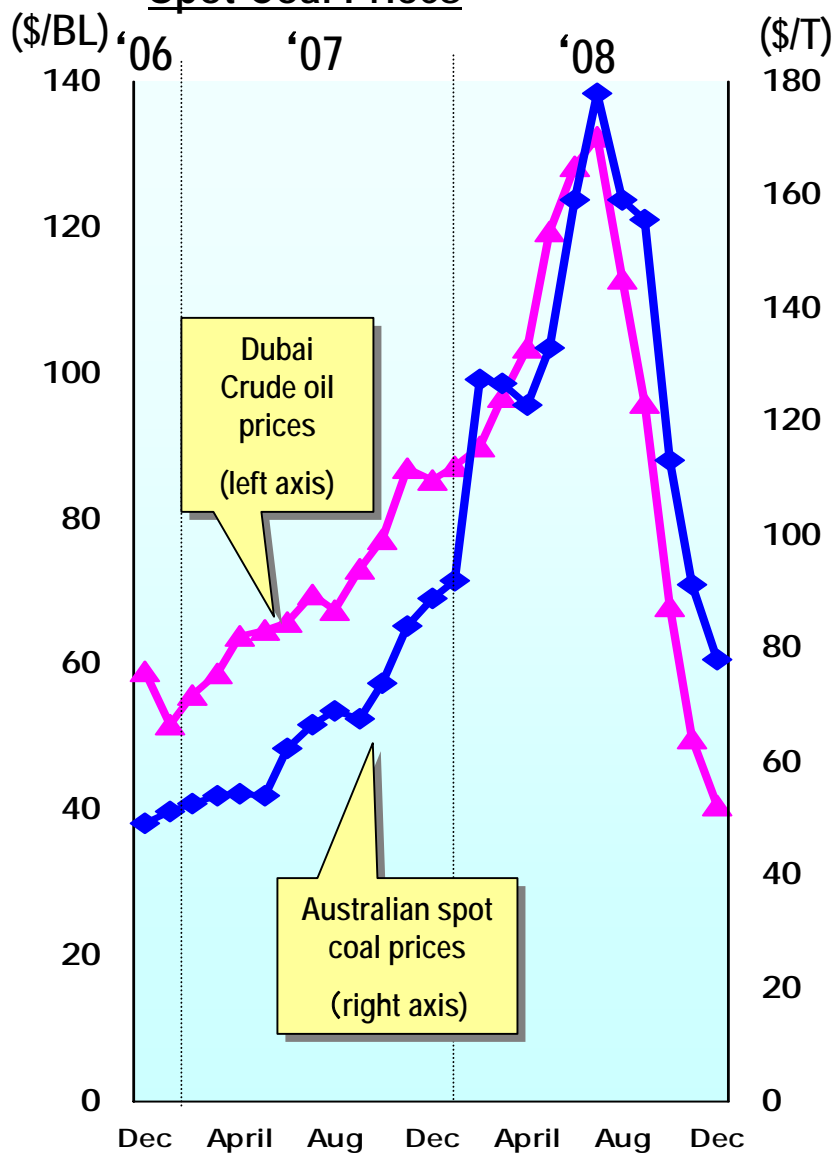
◆ Yen/Dollar, Yen/Euro Exchange Rates



◆ Dollar/Euro Exchange Rates

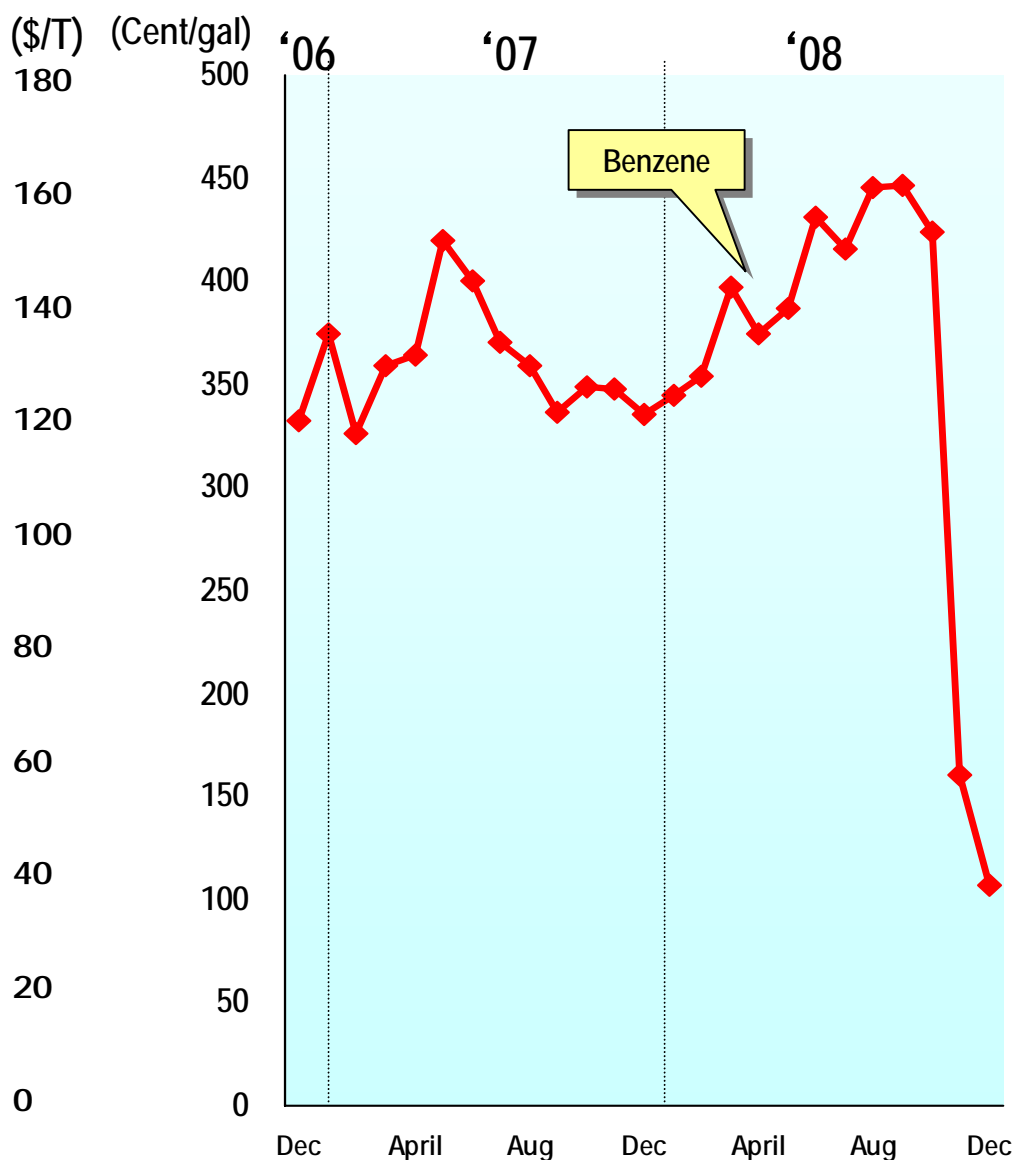


◆ Dubai Crude Oil Prices, Australian Spot Coal Prices



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

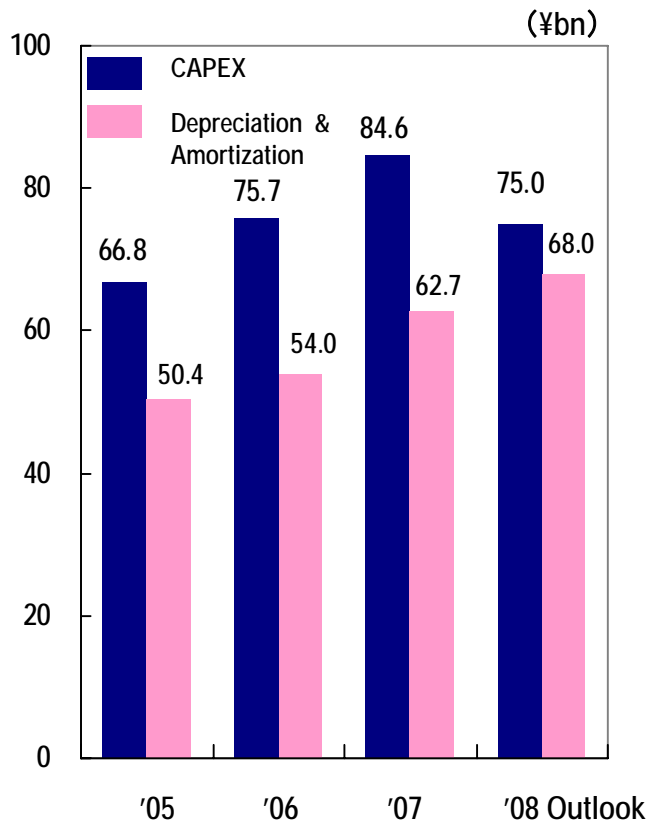
◆ Benzene Prices



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

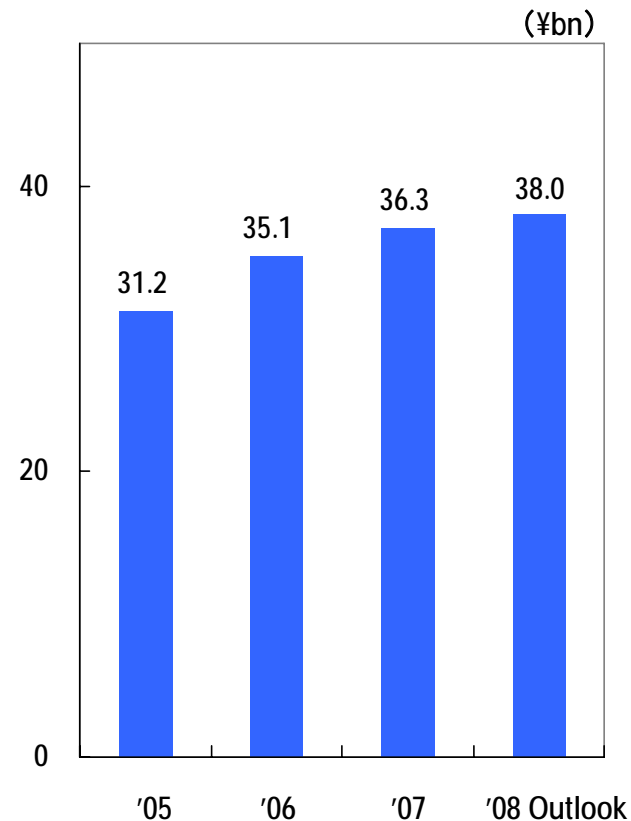
◆ CAPEX, Depreciation & Amortization, and R&D Expenses

CAPEX/Depreciation & Amortization



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

R&D Expenses



➤ Approx. 60% 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		Germany (Oberbruch)	1,700 tons/yr
Plastics	Polycarbonate resin (<i>Panlite</i>) (<i>Multilon</i>)	Increase compounding capacity		China (Shanghai)	39,000 tons/yr

◆ Consolidated Statements of Income

	FY07 Q1-Q3		FY08 Q1-Q3		Diff.	
	Amount	% of total	Amount	% of total	Amount	%
(¥bn)						
Net Sales	774.6	100.0%	737.8	100.0%	-36.8	-4.8%
Cost of sales	580.5	74.9%	562.3	76.2%	-18.3	-3.1%
Gross profit	194.0	25.1%	175.5	23.8%	-18.5	-9.6%
SG & A	142.0	18.3%	153.2	20.8%	+ 11.2	+7.9%
Operating income	52.0	6.7%	22.3	3.0%	-29.7	-57.1%
Nonoperating items (net)	-8.0	-	-15.5	-	-7.5	-
(Balance of financial expenses)	-6.6	-	-6.2	-	+ 0.4	-
(Equity on gains and losses of unconsolidated subsidiaries and affiliates)	0.1	-	-6.5	-	-6.6	-
Ordinary income	44.0	5.7%	6.8	0.9%	-37.2	-84.6%
Extraordinary items(net)	-3.8	-	-13.1	-	-9.3	-
Income before income taxes	40.2	5.2%	-6.3	-	-46.5	-
Income taxes	16.0	2.1%	8.9	1.2%	-7.1	-44.4%
Minority interest (net)	0.9	-	-0.7	-	-1.6	-
Net income	23.2	3.0%	-14.6	-	-37.8	-

Note: For more information, see the Financial Statements Summary for the nine months ended December 31, 2008.

◆ Consolidated Balance Sheets <Assets>

(¥bn)	Mar 31, 2008	Dec 31, 2008	Diff.
Total assets	1,016.0	1,033.5	+17.5
Current assets	417.4	460.2	+42.8
Cash and time deposits	19.1	32.3	+13.2
Trade notes and accounts receivable	204.9	195.1	-9.8
Inventories	151.5	188.6	+37.1
Others	41.9	44.2	+2.3
Fixed assets	598.6	573.3	-25.3
Tangible assets	382.6	376.1	-6.5
Intangible assets	74.7	86.0	+11.3
Investments and other assets	141.3	111.2	-30.1

Note: For more information, see the Financial Statements Summary for the nine months ended December 31, 2008.

◆ Consolidated Balance Sheets <Liabilities and net assets>

(¥bn)	Mar 31, 2008	Dec 31, 2008	Diff.
Total liabilities and net assets	1,016.0	1,033.5	+17.5
Liabilities	604.7	666.1	+61.3
Current liabilities	417.5	474.2	+56.7
Noncurrent liabilities	187.2	191.8	+4.6
(Interest-bearing debt)	325.2	416.8	+91.5
Net assets	411.2	367.5	-43.8
Shareholders' equity	371.8	352.3	-19.6
Valuation and translation adjustments and others	19.2	-4.6	-23.8
Stock acquisition rights	0.2	0.3	+0.1
Minority interests in consolidated subsidiaries	20.0	19.5	-0.5

Note: For more information, see the Financial Statements Summary for the nine months ended December 31, 2008.

◆ Nonoperating items

(¥bn)	FY07 Q1-Q3	FY08 Q1-Q3	Diff.
Interest income	0.4	0.5	+0.1
Dividend income	1.1	1.1	-0.0
Foreign exchange gain	1.1	-	-1.1
Equity in gains of unconsolidated subsidiaries and affiliates	0.1	-	-0.1
Other income	0.9	1.2	+0.4
Nonoperating revenues total	3.6	2.9	-0.7
Interest expense	8.1	7.8	-0.3
Equity in losses of unconsolidated subsidiaries and affiliates	-	6.5	+6.5
Foreign exchange loss	-	0.5	+0.5
Other expenses	3.5	3.5	+0.1
Nonoperating expenses total	11.6	18.4	+6.8
Nonoperating items total	-8.0	-15.5	-7.5

◆ Extraordinary items

	(¥bn)	FY07 Q1-Q3	FY08 Q1-Q3	Diff.
Gain on prior term adjustments		-	0.4	+0.4
Gain on sales of property, plant and equipment		1.1	0.0	-1.1
Gain on sales of investment securities		5.4	0.2	-5.2
Gain on compensation for transfer of property		-	0.1	+0.1
Others		0.3	0.1	-0.2
Extraordinary income total		6.8	0.8	-6.0
Loss on disposal and sales of fixed assets		1.2	1.4	+0.3
Write-down of investment securities		-	2.9	+2.9
Special factory operating loss		2.3	2.4	+0.2
Loss on impairment		4.8	6.1	+1.4
Others		2.4	1.0	-1.4
Extraordinary losses total		10.6	13.9	+3.3
Extraordinary items total		-3.8	-13.1	-9.3

◆ Consolidated Statements of Cash Flows

(¥bn)	FY07 Q1-Q3	FY08 Q1-Q3	Diff.
Income before income taxes	40.2	-6.3	-46.5
Depreciation and amortization	45.8	50.3	+4.6
Increase in inventories	-31.9	-43.8	-11.9
Income taxes paid	-24.1	-10.8	+13.4
Decrease in receivables & Increase in payables	-19.2	5.6	+24.8
Others	-1.6	11.2	+12.8
Net cash and cash equivalents provided by operating activities	9.1	6.2	-2.8
Purchase of property, plant and equipment	-54.2	-58.8	-4.6
Purchase of investment securities	-0.6	-2.8	-2.2
Purchase of shares of newly consolidated subsidiaries	-	-25.0	-25.0
Others	3.6	-3.9	-7.5
Net cash and cash equivalents used in investing activities	-51.3	-90.5	-39.2
Free Cash Flow	-42.2	-84.2	-42.0
Net cash and cash equivalents provided by financing activities, etc	46.4	97.2	+50.9
Net increase in cash and cash equivalents	4.2	13.0	+8.8

Note: For more information, see the Financial Statements Summary for the nine months ended December 31, 2008.

◆ Consolidated Statements of Income

	FY07 Q3		FY08 Q3		Diff.	
	Amount	% of total	Amount	% of total	Amount	%
(¥bn)						
Net Sales	264.9	100.0%	247.9	100.0%	-16.9	-6.4%
Cost of sales	197.9	74.7%	187.5	75.6%	-10.4	-5.3%
Gross profit	66.9	25.3%	60.4	24.4%	-6.5	-9.8%
SG & A	48.0	18.1%	53.2	21.4%	+5.2	+10.9%
Operating income	19.0	7.2%	7.2	2.9%	-11.7	-61.9%
Nonoperating items (net)	-2.3	-	-9.4	-	-7.1	-
(Balance of financial expenses)	-2.2	-	-2.3	-	-0.1	-
(Equity on gains and losses of unconsolidated subsidiaries and affiliates)	0.1	-	-5.0	-	-5.0	-
Ordinary income	16.7	6.3%	-2.1	-	-18.8	-
Extraordinary items(net)	3.4	-	-10.2	-	-13.6	-
Income before income taxes	20.0	7.6%	-12.4	-	-32.4	-
Income taxes	7.5	2.8%	3.2	1.3%	-4.2	-56.8%
Minority interest (net)	0.2	-	-0.6	-	-0.8	-
Net income	12.3	4.7%	-15.0	-	-27.3	-

Note: For more information, see the Financial Statements Summary for the nine months ended December 31, 2008.

◆ Operating Results by Segment (Comparison with FY07 Q3)

(¥bn)	Sales				Operating income			
	FY07 Q3	FY08 Q3	Diff.	%	FY07 Q3	FY08 Q3	Diff.	%
Synthetic Fibers	79.8	66.9	-13.0	-16.2%	5.8	-0.0	-5.8	-
Films & Plastics	73.8	71.2	-2.7	-3.6%	6.0	1.3	-4.7	-78.1%
Pharma. & H.H.C.	31.3	36.0	+4.8	+15.2%	7.5	7.6	+0.1	+1.1%
Trading & Retail	70.3	63.9	-6.4	-9.1%	1.8	1.3	-0.5	-26.0%
IT & New Products, etc.	9.7	9.9	+0.3	+3.0%	0.2	0.3	+0.1	+77.4%
Elimination & Corporate	-	-	-	-	-2.3	-3.3	-1.0	-
Total	264.9	247.9	-16.9	-6.4%	19.0	7.2	-11.7	-61.9%

◆ Overview of Main Subsidiaries

				FY 2007				FY 2008		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sales		Synthetic Fibers	<i>Teijin Fibers</i>	38.7	37.7	34.5	38.2	38.1	37.9	26.5
			Three fibers companies in Southeast Asia	18.3	19.0	20.4	19.4	17.8	17.4	16.3
			Total	57.0	56.6	54.9	57.6	56.0	55.1	42.8
			Aramid fibers business	22.5	23.1	25.0	22.6	23.6	24.2	22.3
			<i>Toho Tenax</i> group Carbon fibers only	9.4	9.7	8.9	9.8	9.4	10.8	9.0
		F&P	Films business group	27.9	28.8	28.5	27.5	26.2	28.5	28.2
			Plastics business group	48.9	50.7	49.0	48.2	41.4	45.9	45.5
Operating Income		Synthetic Fibers	<i>Teijin Fibers</i>	0.4	-0.3	-0.6	0.2	-0.2	-0.7	-2.8
			Three fibers companies in Southeast Asia	-0.4	-0.6	0.2	0.4	-0.8	-1.0	-0.6
			Total	-0.0	-0.9	-0.4	0.6	-1.0	-1.7	-3.4
			Aramid fibers business	6.3	5.7	7.3	6.6	5.6	4.2	4.7
			<i>Toho Tenax</i> group Carbon fibers only	1.6	1.7	1.1	1.8	0.7	0.9	0.1
		F&P	Films business group	1.7	2.2	1.9	0.2	1.3	1.0	1.2
			Plastics business group	3.9	5.2	4.2	1.5	1.0	0.9	0.2

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

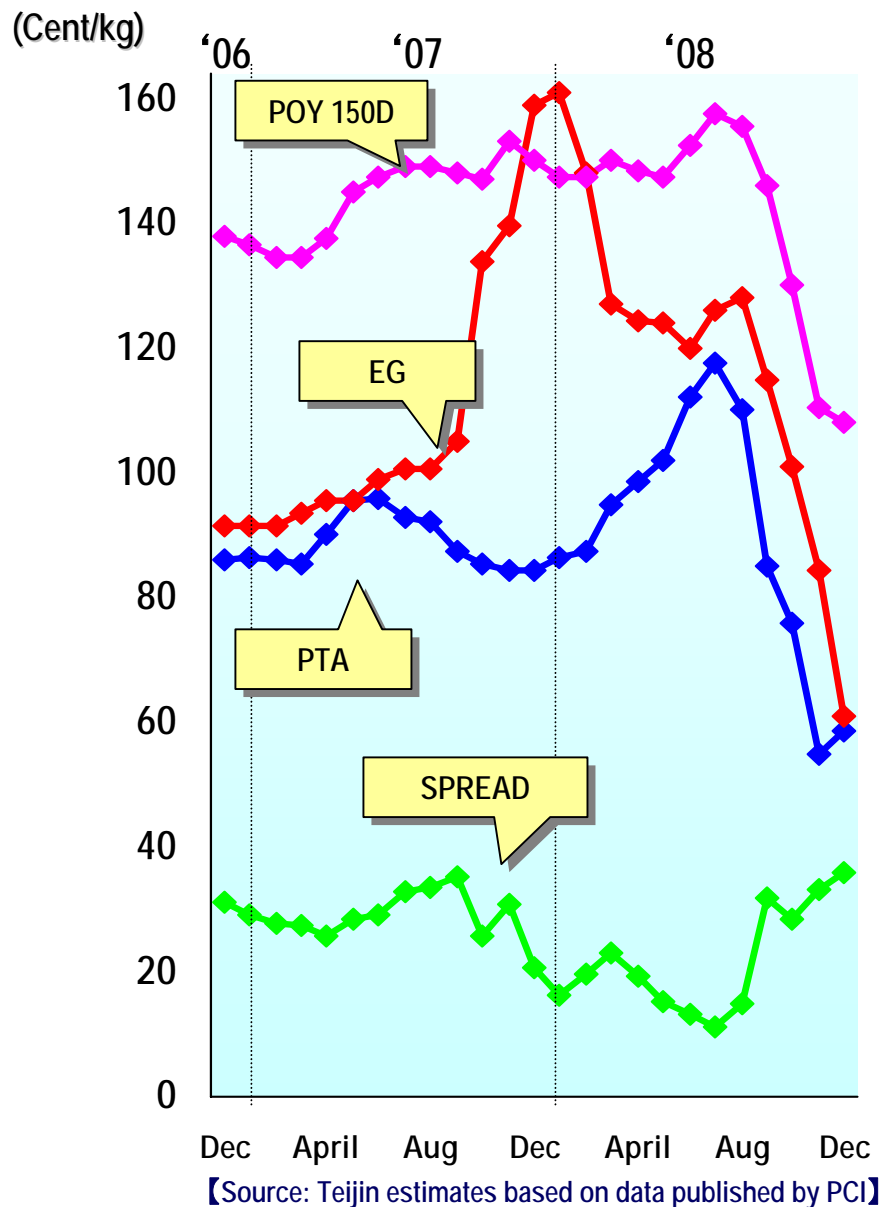
3. The "aramid fibers business" includes the Teijin Aramid (former *Twaron*) group and the aramid fibers business of Teijin Techno Products Limited

◆ Comparison with Previous Outlook for FY08

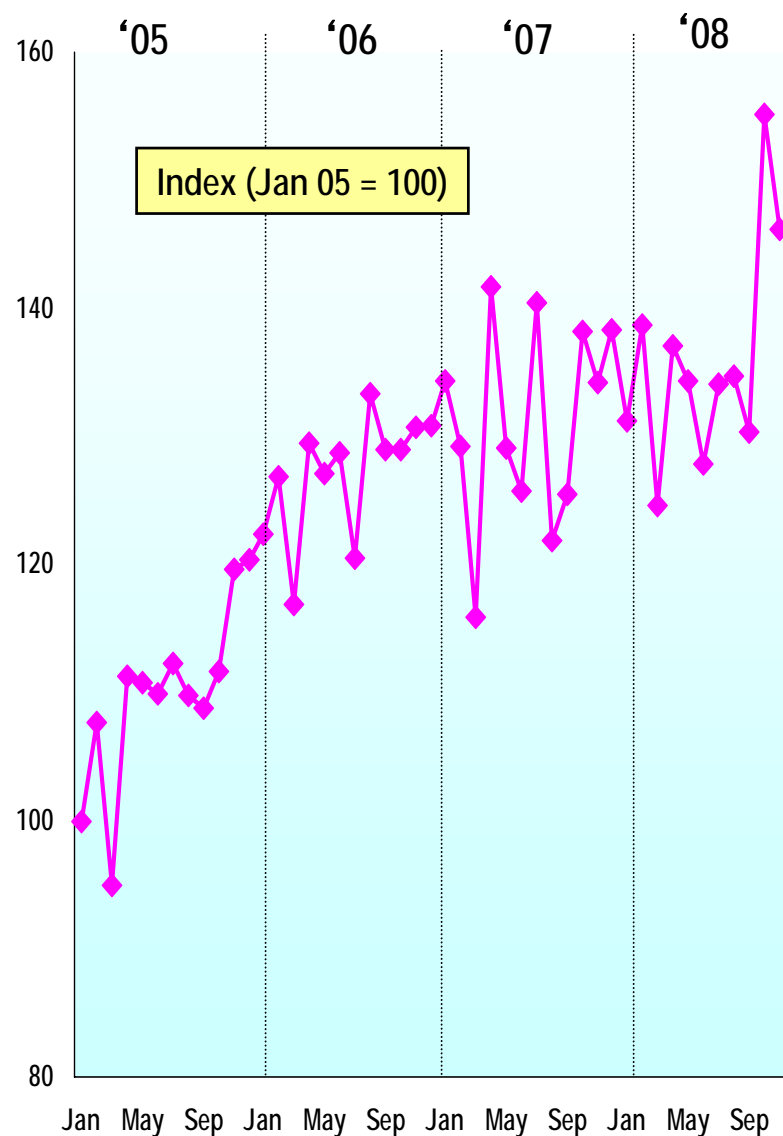
	(¥bn)	Previous Outlook*	Revised Outlook	Diff.
Synthetic Fibers		320.0	280.0	-40.0
Films & Plastics		280.0	260.0	-20.0
Pharma. & H.H.C.		120.0	125.0	+5.0
Trading & Retail		260.0	240.0	-20.0
IT & New Products, etc.		50.0	45.0	-5.0
Net sales		1,030.0	950.0	-80.0
Synthetic Fibers		14.0	-2.0	-16.0
Films & Plastics		10.0	0.0	-10.0
Pharma. & H.H.C.		24.0	24.0	-
Trading & Retail		5.5	3.0	-2.5
IT & New Products, etc.		3.5	3.0	-0.5
Elimination & Corporate		-11.0	-12.0	-1.0
OP		46.0	16.0	-30.0

*Previous outlook released on October 31, 2008.

◆ Polyester Fibers Prices, Raw Materials Prices



◆ Carbon Fibers Shipment Price



◆ Sales of Principal Pharmaceuticals

(¥bn)

Product	Indication	FY07				FY08		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3
<i>Bonalon</i>	Osteoporosis	4.1	4.2	5.7	4.2	5.1	4.7	5.8
<i>Onealfa</i>	Osteoporosis	3.1	3.0	3.5	2.9	2.9	2.9	3.4
Osteoporosis total		7.2	7.2	9.2	7.2	8.0	7.7	9.2
<i>Mucosolvan</i>	Expectorant	2.8	2.3	3.5	2.5	2.6	2.2	3.3
<i>Venilon</i>	Severe infection	2.5	2.1	2.4	1.8	2.1	2.0	2.4
<i>Laxoberon</i>	Laxative	1.2	1.2	1.4	1.0	1.2	1.2	1.3

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

◆ Principal Pharmaceuticals in Current Portfolio

(As of Dec 31, 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

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 Dec 31, 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
GGs (Freeze-Dried Sulfonated Human Normal Immunoglobulin)	Churg-Strauss Syndrome	Human immunoglobulin	Injection	Joint development with Kaketsuken (new indication)

【Phase III】

Code No. (Generic Name)	Target Disease	Medicinal Properties/ Characteristics	Dosage Form	Remarks
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)
GTH-42V	Osteoporosis	Alendronate	Injection	Licensed-in from Merck (US)

【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

*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) Joint development with Chugai Pharmaceutical Co., Ltd
TMA-15 (Urttoxazumab)* 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 Dec 31, 2008)

Area	Phase of Clinical Trials				
	Phase I	Phase II	Phase III	Filed	Approved/New Launch
Bone and joint disease	ITM-058		GTH-42V ^{*3}		
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 ^{*4} <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.

*3 Phase III clinical trials for GTH-42V began in December 2008.

*4 In December 2008, Teijin filed for a new indication for GGS (treatment of Churg–Strauss syndrome)

◆ 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.