

FOR IMMEDIATE RELEASE:

Toray Announces Consolidated Results for the Nine Months Ended December 31, 2004

Tokyo, Feb 8, 2005 - Toray Industries, Inc. today announced its consolidated business results for the nine months ended December 31, 2004 of the fiscal year ending March 31, 2005. The following summary of the business results that Toray submitted to the Tokyo Stock Exchange is unaudited and for reference only. (Code Number: 3402)

Consolidated Business Results

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

	Nine months ended December 31			(Reference)	
	2004	2003	Change	2004	Fiscal 2003
	Yen		%	<i>U.S. dollars</i>	Yen
Net sales	¥911,912	¥791,320	15.2	\$8,752	¥1,088,501
Operating income	50,224	36,175	38.8	482	56,792
Ordinary income	48,427	33,710	43.7	465	51,602
Net income	26,756	-	-	257	20,908

Notes

1. The percentage change of net sales, operating income and ordinary income is year-on-year change compared with the same period of the previous fiscal year.
2. Disclosure of net income started in the current first quarter and therefore comparable figures for the same period of the previous year or their year-on-year change are not provided.
3. U.S. dollar amount have been converted from yen at the exchange rate of ¥104.2=U.S.\$1, the approximate rate of exchange prevailing on December 31, 2004.
4. Amounts are rounded to the nearest million.

With respect to the overall business environment for the nine months under review (April 1, 2004 – December 31, 2004), the prices of crude oil and the costs of raw materials and fuels surged while the economy slowed down in the second half led by the IT-related sectors. Under such circumstances, the Company continued with its efforts on constant reinforcement of the business structure as well as the expansion of profits through structural reforms of its businesses, based on the mid-term management issues “Project NT-II”

As a result, net sales for the nine months ended December 31, 2004 rose 15.2% to 911.9 billion yen (US\$8,752 million) from the same period of the previous fiscal year, buoyed by growing sales of the advanced materials business led by the IT-related products segment and the addition of Chori Co., Ltd. as a consolidated subsidiary. Operating income grew 38.8% to 50.2 billion yen (US\$482 million) mainly due to the strong performance of the IT-related products segment, and ordinary income rose 43.7% to 48.4 billion yen (US\$465 million).

Consolidated Financial Condition

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

	Nine months ended December 31			(Reference) Fiscal 2003
	2004	2003	2004	
	Yen		U.S. dollars	
Total assets	¥1,405,857	-	\$13,492	¥1,295,314
Property, plant and equipment, net	¥533,860	-	5,123	¥543,315
Total stockholders' equity	¥442,360	-	4,245	¥414,247
Net Income Primary per share	¥19.10	-	-	¥14.87
Stockholders' equity per share	¥315.80	-	-	¥295.64
Equity Ratio	31.5%	-	-	32.0%

Notes: Disclosure of consolidated financial conditions started in the current first quarter and therefore no results for the third period of the previous year is provided.

Assets as of the end of the nine months increased by 110.5 billion yen (US\$1,061 million) compared with the end of the previous fiscal year to 1,405.9 billion yen (US\$13,492 million), mainly due to the addition of Chori Co., Ltd. and Suido Kiko Kaisha, Ltd. as consolidated subsidiaries. Liabilities also increased by 67.3 billion yen (US\$646 million) to 911.0 billion yen (US\$8,742 million) due to the same reason. Stockholders' equity increased by 28.1 billion yen (US\$270 million) to 442.4 billion yen (US\$4,245 million) compared with the end of the previous fiscal year mainly due to increase in retained earnings. As a result, equity ratio at the end of the nine months stood at 31.5%, approximately the same level as at the end of the previous fiscal year.

Forecast of Consolidated Results for the Year Ending March 31, 2005

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

	Forecast		Difference	Change	Revised Forecast
	Previous	Revised			
	Yen			(%)	U.S. dollars
Net sales	¥1,320,000	¥1,310,000	(¥10,000)	(0.8)	\$12,718
Operating income	80,000	80,000	-	-	777
Ordinary income	76,000	76,000	-	-	738
Net income	39,000	33,000	(6,000)	(15.4)	320

Reference: Forecast EPS (year ending March 31, 2005) ¥23.56

Forecast of Non-consolidated Results for the Year Ending March 31, 2005

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

	Forecast		Difference	Change	Revised Forecast
	Previous	Revised			
	Yen			(%)	U.S. dollars
Net sales	¥480,000	¥475,000	(¥5,000)	(1.0)	\$4,612
Operating income	34,000	34,000	-	-	330
Ordinary income	39,000	42,000	3,000	7.7	408
Net income	21,000	11,000	(10,000)	(47.6)	107

Reference: Forecast EPS (year ending March 31, 2005) ¥7.85

Notes:

1. U.S. dollar amount have been converted from yen at the exchange rate of ¥103=U.S.\$1, the estimated rate of exchange for the year ending March 31, 2005.
2. Previous forecast was announced on November 9, 2004.

Some of the Company's overseas subsidiaries are going to recognize impairment of fixed assets, as their profit structure has deteriorated due to severe business conditions rising from the steep increase in raw material costs, etc. In view of this, the Company is also going to write down investments for the aforementioned subsidiaries in its non-consolidated results.

Net income for the fiscal year ending March 31, 2005 on both consolidated and non-consolidated basis is expected to be lower than the forecasts announced at the time of the first-half earnings results mainly due to this reason.

Consolidated Business Segment Information

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

Nine months ended December 31, 2004	Net Sales	<i>U.S. dollars</i>	Operating Income	<i>U.S. dollars</i>
Fibers and Textiles	¥370,499	\$3,556	¥13,730	\$132
Plastics and Chemicals	218,626	2,098	9,807	94
IT-related Products	163,583	1,570	21,167	203
Housing and Engineering	76,240	732	(682)	(7)
Pharmaceuticals and Medical Products	30,153	289	(266)	(3)
New Products and other Businesses	52,811	507	6,231	60
Elimination and Corporate	-	-	237	2
Consolidated Total	911,912	8,752	50,224	482

Fiscal 2003 ended March 31, 2004	Net Sales	Operating Income
Fibers and Textiles	¥424,755	¥18,371
Plastics and Chemicals	258,093	9,676
IT-related Products	174,538	17,326
Housing and Engineering	120,123	1,695
Pharmaceuticals and Medical Products	47,875	3,510
New Products and other Businesses	63,117	5,868
Elimination and Corporate	-	346
Consolidated Total	1,088,501	56,792

Notes:

1. U.S. dollar amount have been converted from yen at the exchange rate of ¥104.2=U.S.\$1, the approximate rate of exchange prevailing on December 31, 2004.
2. Amounts are rounded to the nearest million.

Disclaimer

The above stated forecasts are formulated based on estimates of future economic environment as of the announcement date of this material and the actual results could differ from the forecasts due to various factors in the future. The material in this statement is not a guarantee of the Company's future business performance.

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