

February 8, 2008

Toray Announces Consolidated Results for the Nine Months Ended December 31, 2007

Tokyo, February 8, 2008 - Toray Industries, Inc. today announced its consolidated business results for the nine months ended December 31, 2007 of the fiscal year ending March 31, 2008. 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*, except per share data)

	Nine months ended December 31,			(Reference) Fiscal 2006	
	2007	2006	Change		2007
	Yen		%	<i>U.S. dollars</i>	Yen
Net sales	¥1,207,473	¥1,129,626	6.9	\$10,573	¥1,546,461
Operating income	63,334	64,111	(1.2)	555	102,423
Ordinary income	59,150	61,537	(3.9)	518	97,520
Net income	32,007	40,632	(21.2)	280	58,577
Net income basic per share	22.87	29.02	(21.2)	-	41.84

Notes

1. The percentage change is year-on-year change compared with the same period of the previous fiscal year.
2. U.S. dollar amounts have been converted from yen at the exchange rate of ¥114.2=U.S.\$1, the approximate rate of exchange prevailing on December 31, 2007.
3. Amounts are rounded to the nearest million.

During the nine months under review (April 1, 2007 – December 31, 2007), despite negative factors such as the record rise in crude oil prices and the uncertainties in the international financial markets stemming from the subprime crisis in the U.S., the global economy on the whole remained strong, as the European economy enjoyed sustained expansion and Asian economies led by China also continued to grow. The Japanese economy also maintained a gradual growth, supported by the increases of exports and capital investment, although uncertainties remain towards the future.

Under such circumstances, Toray Group advanced its efforts to implement measures under the new mid-term business strategies “Project Innovation TORAY 2010 (IT-2010)” launched in last October and promoted the expansion of our business and profitability through business structure reform and structural reinforcement.

Consolidated net sales for the nine months ended December 31, 2007 rose 6.9% to 1,207.5 billion yen (US\$10,573 million) from the same period of the previous fiscal year, buoyed by growing sales in business segments such as Fibers and Textiles and Plastics and Chemicals. Operating income declined 1.2% to 63.3 billion yen (US\$555 million) reflecting rising raw materials and fuel prices and intensified competition in the

IT-related Products business, despite strong performances of the Environment and Engineering and Plastics and Chemicals businesses. Ordinary income fell 3.9% to 59.2 billion yen (US\$518 million) and net income declined 21.2% to 32.0 billion yen (US\$280 million).

When the impact of increases in depreciation costs due to the revision of Japanese taxation system were excluded, consolidated operating income for the period would be 67.8 billion yen (US\$593), up 5.7% year-on-year, ordinary income 63.8 billion yen (US\$558), up 3.6%, and net income 34.9 billion yen (US\$306), down 14.0%.

Consolidated Financial Condition

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

	Nine months ended December 31,			(Reference)
	2007	2006	2007	Fiscal 2006
	Yen		<i>U.S. dollars</i>	Yen
Total assets	¥1,715,478	¥1,614,200	\$15,022	¥1,674,447
Property, plant and equipment, net	673,820	613,678	5,900	643,370
Net assets	650,605	623,992	5,697	649,670
Net assets per share	425.00	403.74	-	421.51
Equity Ratio	34.7%	35.0%	-	35.2%

Notes:

1. For calculation of "net assets per share" and "equity ratio," minority interests are deducted from net assets.
2. U.S. dollar amounts have been converted from yen at the exchange rate of ¥114.2=U.S.\$1, the approximate rate of exchange prevailing on December 31, 2007.
3. Amounts are rounded to the nearest million.

Assets as of the end of the nine months increased by 41.0 billion yen compared with the end of the previous fiscal year to 1,715.5 billion yen (US\$15,022 million), mainly due to the increase in property, plant and equipment. Liabilities also increased by 40.1 billion yen to 1,064.9 billion yen (US\$9,325 million), primarily reflecting the increase in interest-bearing liabilities. Net assets totaled 650.6 billion yen (US\$5,697 million), up 0.9 billion yen compared with the end of the previous fiscal year, as retained earnings grew but net unrealized gains on securities declined. As a result, equity ratio at the end of the nine months declined 0.6 percentage points to 34.7 %.

Consolidated Business Segment Information

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

Net Sales	Nine months ended December 31,			
	2007	2006	Change	2007
	Yen		%	<i>U.S. dollars</i>
Fibers and Textiles	¥485,149	¥457,811	6.0	\$4,248
Plastics and Chemicals	302,347	279,845	8.0	2,648
IT-related Products	207,164	197,175	5.1	1,814
Carbon Fiber Composite Materials	61,016	50,275	21.4	534
Environment and Engineering	104,516	96,844	7.9	915
Life Science and Other Businesses	47,281	47,676	(0.8)	414
Total	1,207,473	1,129,626	6.9	10,573
Elimination and Corporate	-	-	-	-
Consolidated Total	1,207,473	1,129,626	6.9	10,573

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

Operating Income	Nine months ended December 31,			
	2007	2006	Change	2007
	Yen		%	<i>U.S. dollars</i>
Fibers and Textiles	¥14,703	¥14,428	1.9	\$129
Plastics and Chemicals	13,493	12,631	6.8	118
IT-related Products	17,017	21,796	(21.9)	149
Carbon Fiber Composite Materials	12,560	13,012	(3.5)	110
Environment and Engineering	4,174	412	913.1	37
Life Science and Other Businesses	2,931	2,903	1.0	26
Total	64,878	65,182	(0.5)	568
Elimination and Corporate	(1,544)	(1,071)	-	(14)
Consolidated Total	63,334	64,111	(1.2)	555

(Millions of yen)

	(Reference) Fiscal 2006 ended March 31, 2007	
	Net Sales	Operating Income
Fibers and Textiles	¥607,752	¥19,236
Plastics and Chemicals	375,292	19,232
IT-related Products	263,808	33,457
Carbon Fiber Composite Materials	68,593	18,084
Environment and Engineering	161,310	5,953
Life Science and Other Businesses	69,706	8,151
Total	1,546,461	104,113
Elimination and Corporate	-	(1,690)
Consolidated Total	1,546,461	102,423

Notes:

1. U.S. dollar amounts have been converted from yen at the exchange rate of ¥114.2=U.S.\$1, the approximate rate of exchange prevailing on December 31, 2007.
2. Amounts are rounded to the nearest million.

Forecast of Consolidated Results for the Year Ending March 31, 2008

The Group revised its consolidated forecasts for the fiscal year ending March 31, 2008 to reflect the severe business environment including the high levels of raw materials and fuel prices and intensified competition in IT-related materials caused by the rapid price decline in flat-panel displays.

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

	Forecast		Difference	Change	Revised Forecast
	Previous	Revised			
	Yen			%	<i>U.S. dollars</i>
Net sales	¥1,660,000	¥1,640,000	(¥20,000)	(1.2)	\$15,327
Operating income	108,000	104,000	(4,000)	(3.7)	972
Ordinary income	101,000	93,000	(8,000)	(7.9)	869
Net income	56,000	49,000	(7,000)	(12.5)	458

Reference: Forecast EPS (year ending March 31, 2008) ¥35.01

Notes:

1. When the impact of increases in depreciation costs due to the revision of Japanese taxation system were excluded, the consolidated forecasts would be operating income of ¥110,000 million (US\$1,028 million), up 7.4% from the previous year, ordinary income of ¥99,000 million (US\$925 million), an increase of 1.5%, and net income of ¥53,000 million (US\$495 million), down 9.5%.
2. U.S. dollar amounts have been converted from yen at the exchange rate of ¥107=U.S.\$1, the estimated rate of exchange for the year ending March 31, 2008.
3. Amounts are rounded to the nearest million.

(Reference)

Forecast of Non-consolidated Results for the Year Ending March 31, 2008

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

	Forecast		Difference	Change	Revised Forecast
	Previous	Revised			
	Yen			%	<i>U.S. dollars</i>
Net sales	¥600,000	¥590,000	(¥10,000)	(1.7)	\$5,514
Operating income	40,000	36,000	(4,000)	(10.0)	336
Ordinary income	46,000	44,000	(2,000)	(4.3)	411
Net income	26,000	25,000	(1,000)	(3.8)	234

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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