



August 6, 2007

Toray Announces Consolidated Results for the First Quarter Ended June 30, 2007

Tokyo, Aug 6, 2007 - Toray Industries, Inc. today announced its consolidated business results for the three months ended June 30, 2007, the first quarter of the 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)

	First quarter ended June 30,			2007	(Reference) Fiscal 2006
	2007	2006	Change		
	Yen		%	<i>U.S. dollars</i>	Yen
Net sales	¥385,794	¥358,063	7.7	\$3,129	¥1,546,461
Operating income	19,514	18,574	5.1	158	102,423
Ordinary income	18,763	18,541	1.2	152	97,520
Net income	10,186	11,669	(12.7)	83	58,577
Net income primary per share	7.28	8.33	(12.6)	-	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 ¥123.3 = U.S.\$1, the approximate rate of exchange prevailing on June 30, 2007.
3. Amounts are rounded to the nearest million.

During the three months under review, the global economy continued to perform strongly despite the slowdown in the U.S. economy, as Europe maintained the recovery trends and the Asian economies led by China continued to post high growth. The Japanese economy also maintained a gradual growth in both the corporate and household sectors. For the future, while there are forecasts of continued expansion for both the global and domestic economies, there are several causes for concern such as persistently high oil prices, the slowdown in the U.S. economy, inventory adjustments in IT-related goods, and volatile exchange rate fluctuations, and the outlook is therefore unclear.

Under such circumstances, Toray Group is addressing the issues set in its mid-term business strategies "Project Innovation TORAY 2010 (IT-2010)" launched in October 2006, with a goal of transforming itself into a dynamically evolving and highly profitable business group, striving for innovation in every aspect of its operations.

Net sales for the first quarter increased 7.7% from the same period a year ago to 385.8 billion yen (US\$3,129 million), due primarily to growing sales by Fibers and Textiles segment and Plastics and Chemicals segment. Operating income rose 5.1% to 19.5 billion yen (US\$158 million), led by the strong performance of Environment and Engineering segment and Plastics and Chemicals segment. Ordinary income increased 1.2% year-on-year to 18.8 billion yen (US\$152 million), and net income declined 12.7% year-on-year to 10.2 billion yen (US\$83 million).

If the impact of increases in depreciation costs due to the revision of Japanese taxation system were excluded, its results would be operating income of 20.8 billion yen (US\$169 million), up 12.1% year-on-year, ordinary income of 20.1 billion yen (US\$163 million), an increase of 8.5%, and net income of 11.0 billion yen (US\$89 million), down 5.8%.

Consolidated Financial Condition

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

	First quarter ended June 30,			(Reference) Fiscal 2006
	2007	2006	2007	
	Yen		<i>U.S. dollars</i>	Yen
Total assets	¥1,697,362	¥1,521,873	\$13,766	¥1,674,447
Property, plant and equipment, net	656,177	596,597	5,322	643,370
Net assets	656,935	589,179	5,328	649,670
Net assets per share	426.75	381.74	-	421.51
Equity ratio	35.2%	35.1%	-	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 ¥123.3 = U.S.\$1, the approximate rate of exchange prevailing on June 30, 2007.
3. Amounts are rounded to the nearest million.

At the end of the first quarter, the Group's assets totaled 1,697.4 billion yen (US\$13,766 million), up 22.9 billion yen from the end of the previous fiscal year primarily as inventories increased. Liabilities increased by 15.7 billion yen to 1,040.4 billion yen (US\$8,438 million) mainly due to an increase in interest-bearing liabilities. Net assets were 656.9 billion yen (US\$5,328 million), an increase of 7.3 billion yen. As a result, the equity ratio was 35.2%, remaining the same level as the end of the previous fiscal year.

Forecast of Consolidated Results for the Half Year Ending September 30, 2007

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

	Forecast	
	Yen	<i>U.S. dollars</i>
Net sales	¥770,000	\$6,696
Operating income	44,000	383
Ordinary income	40,000	348
Net income	22,000	191

Notes:

1. If the impact of increases in depreciation costs due to the revision of Japanese taxation system were excluded, the Group would expect operating income of ¥46,000 million (US\$400 million), up 7.2% year-on-year, ordinary income of ¥42,000 million (US\$365 million), an increase of 3.7%, and net income of ¥23,000 million (US\$200 million), down 18.0%.
2. U.S. dollar amounts have been converted from yen at the exchange rate of ¥115 = U.S.\$1, the estimated rate of exchange for the half year ending September 30, 2007.
3. Amounts are rounded to the nearest million.

The Company left its forecasts for the half year ending September 30, 2007 unchanged from its previous announcement on May 9, 2007.

Also, the Company intends to review its full-year forecasts when announcing the half-year results, if necessary, by taking account of changes in the external environment.

Consolidated Business Segment Information

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

Net Sales	First quarter ended June 30,			
	2007	2006	Change	2007
	Yen		%	U.S. dollars
Fibers and Textiles	¥153,971	¥145,963	5.5	\$1,249
Plastics and Chemicals	98,063	90,759	8.0	795
IT-related Products	66,379	64,593	2.8	538
Carbon Fiber Composite Materials	19,283	14,565	32.4	156
Environment and Engineering	32,903	27,252	20.7	267
Life Science and Other Businesses	15,195	14,931	1.8	123
Total	385,794	358,063	7.7	3,129
Elimination and Corporate	-	-	-	-
Consolidated Total	385,794	358,063	7.7	3,129

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

Operating Income	First quarter ended June 30,			
	2007	2006	Change	2007
	Yen		%	U.S. dollars
Fibers and Textiles	¥3,929	¥3,763	4.4	\$32
Plastics and Chemicals	4,165	3,589	16.0	34
IT-related Products	6,142	6,766	(9.2)	50
Carbon Fiber Composite Materials	3,766	4,411	(14.6)	31
Environment and Engineering	1,091	(612)	-	9
Life Science and Other Businesses	869	559	55.5	7
Total	19,962	18,476	8.0	162
Elimination and Corporate	(448)	98	-	(4)
Consolidated Total	19,514	18,574	5.1	158

(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 ¥123.3 = U.S.\$1, the approximate rate of exchange prevailing on June 30, 2007.
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.

For further information, please contact:

Mr. Kenjiro Kamiyama
General Manager
Investor Relations Department
Tel: +81-3-3245-5113
Fax: +81-3-3245-5459

Mr. Ichiro Maeda
General Manager
Corporate Communications Department
Tel: +81-3-3245-5178
Fax: +81-3-3245-5459

Toray Industries, Inc.
<http://www.toray.co.jp>