

FOR IMMEDIATE RELEASE:

Toray Announces Consolidated Results for the First Quarter Ended June 30, 2005

Tokyo, Aug 4, 2005 - Toray Industries, Inc. today announced its consolidated business results for the three months ended June 30, 2005, the first quarter of the year ending March 31, 2006. 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			2005	(Reference) Fiscal 2004
	2005	2004	Change		
	Yen		%	<i>U.S. dollars</i>	Yen
Net sales	¥324,134	¥272,127	19.1	\$2,931	¥1,298,606
Operating income	15,949	16,141	(1.2)	144	81,052
Ordinary income	15,008	16,545	(9.3)	136	76,800
Net income	6,377	8,755	(27.2)	58	34,397
Net income primary per share	4.55	6.25	(27.2)	-	24.46

Notes:

1. The percentage change is year-on-year change compared with the same period of the previous fiscal year.
2. U.S. dollar amount have been converted from yen at the exchange rate of ¥110.6=U.S.\$1, the approximate rate of exchange prevailing on June 30, 2005.
3. Amounts are rounded to the nearest million.

With respect to the overall business environment during the three months under review, the global economy continued its expansion led by the U.S. and Asia, especially China. While the domestic economy has been leveling off since mid 2004, there were some favorable signs such as increases in capital investment by companies buoyed by improving earnings and steady individual consumption. On the other hand, the surge in crude oil price and continued correction phase in the digital product market were reasons for concern along with a sense of uncertainty over the future of both domestic and overseas economy.

Under such circumstances, the Toray Group continued with its efforts on constant reinforcement of the business structure as well as the expansion of its operations and profits through structural reforms of its businesses under the mid-term management reform program "Project NT-II" initiated in April 2004.

Net sales for the first quarter increased 19.1% to 324.1 billion yen (US\$2,931 million) from the same period a year ago, partly due to additions of companies such as Chori Co., Ltd. as consolidated subsidiaries in the second half of the previous fiscal year. Operating income fell 1.2% to 15.9 billion yen (US\$144 million), as unfavorable performances by IT-related Products and Fibers and Textiles offset growths in segments such as Carbon Fiber Composite Materials and Plastics and Chemicals. Ordinary income declined 9.3% to 15.0 billion yen (US\$136 million) and net income fell 27.2% to 6.4 billion yen (US\$58 million) in part because the company booked an impairment loss on unused land.

Consolidated Financial Condition

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

	First quarter ended June 30			(Reference)
	2005	2004	2005	Fiscal 2004
	Yen		<i>U.S. dollars</i>	Yen
Total assets	¥1,412,482	¥1,284,103	\$12,771	¥1,402,264
Property, plant and equipment, net	¥530,926	¥536,660	4,800	¥531,965
Total stockholders' equity	¥458,508	¥421,224	4,146	¥452,519
Stockholders' equity per share	¥327.42	¥300.68	-	¥323.04
Equity ratio	32.5%	32.8%	-	32.3%

Notes:

1. U.S. dollar amount have been converted from yen at the exchange rate of ¥110.6=U.S.\$1, the approximate rate of exchange prevailing on June 30, 2005.
2. Amounts are rounded to the nearest million.

As of the end of the first quarter, assets increased 10.2 billion yen compared with the end of the previous fiscal year to 1,412.5 billion yen (US\$12,771 million), as items such as inventory increased. Liabilities also rose by 9.4 billion yen to 905.8 billion yen (US\$8,190 million) due to factors such as an increase in interest-bearing debts. Stockholders' equity increased by 6.0 billion yen to 458.5 billion yen (US\$4,146 million) due to factors such as an increase in retained earnings. As a result, equity ratio at the end of the quarter increased by 0.2 points to 32.5% from the end of the previous fiscal year.

Forecast of Consolidated Results for the Half Year Ending September 30, 2005

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

	Forecast	
	Yen	<i>U.S. dollars</i>
Net sales	¥700,000	\$6,667
Operating income	34,000	324
Ordinary income	31,000	295
Net income	13,000	124

Notes:

1. U.S. dollar amount have been converted from yen at the exchange rate of ¥105=U.S.\$1, the estimated rate of exchange for the half year ending September 30, 2005.
2. Amounts are rounded to the nearest million.

The Company left its forecasts for the half year ending September 30, 2005 unchanged from its previous announcement on May 11, 2005.

Also, the Company intends to review its full-year forecasts when announcing the half-year results.

Consolidated Business Segment Information

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

Net Sales	First quarter ended June 30			
	2005	2004	Change	2005
	Yen		%	U.S. dollars
Fibers and Textiles	¥140,388	¥110,822	26.7	\$1,269
Plastics and Chemicals	78,001	65,305	19.4	705
IT-related Products	51,681	51,768	(0.2)	467
Carbon Fiber Composite Materials	11,931	10,579	12.8	108
Environment and Engineering	24,693	15,997	54.4	223
Life Science and Other Businesses	17,440	17,656	(1.2)	158
Elimination and Corporate	-	-	-	-
Consolidated Total	324,134	272,127	19.1	2,931

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

Operating Income	First quarter ended June 30			
	2005	2004	Change	2005
	Yen		%	U.S. dollars
Fibers and Textiles	¥4,875	¥5,566	(12.4)	\$44
Plastics and Chemicals	3,949	2,974	32.8	36
IT-related Products	5,016	6,661	(24.7)	45
Carbon Fiber Composite Materials	2,640	1,540	71.4	24
Environment and Engineering	(891)	(960)	-	(8)
Life Science and Other Businesses	270	279	(3.2)	2
Elimination and Corporate	90	81	-	1
Consolidated Total	15,949	16,141	(1.2)	144

(Millions of yen)

	Fiscal 2004 ended March 31, 2005	
	Net Sales	Operating Income
Fibers and Textiles	¥513,354	¥20,872
Plastics and Chemicals	300,404	15,658
IT-related Products	219,142	28,280
Carbon Fiber Composite Materials	44,697	5,596
Environment and Engineering	148,661	4,294
Life Science and Other Businesses	72,348	6,468
Elimination and Corporate	-	(116)
Consolidated Total	1,298,606	81,052

Notes:

1. U.S. dollar amount have been converted from yen at the exchange rate of ¥110.6=U.S.\$1, the approximate rate of exchange prevailing on June 30, 2005.
2. Amounts are rounded to the nearest million.

Changes in Business Segments

The Company changed its business segments starting from this first quarter under review to the following. "Carbon Fiber Composite Materials" was separated from "New Products and Other Businesses" to a new segment as the size of the business expanded. The size of "Pharmaceuticals and Medical Products" business became relatively small and therefore was merged into "New Products and Other Businesses" and the entire segment was renamed as "Life Science and Other Businesses." Furthermore, "Housing and Engineering" segment was renamed as "Environment and Engineering" to reflect the contents of that business more appropriately. The figures for both the first quarter a year ago and the previous fiscal year were modified to show the results according to the new business segments.

<Previous business segments>

Fibers and Textiles
Plastics and Chemicals
IT-related Products
Housing and Engineering
Pharmaceuticals and Medical Products
New Products and Other Businesses

<New business segments>

Fibers and Textiles
Plastics and Chemicals
IT-related Products
Carbon Fiber Composite Materials
Environment and Engineering
Life Science and Other Businesses

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
Assistant General Manager
Investor Relations Department
Tel: +81-3-3245-5113
Fax: +81-3-3245-5459

Mr. Ichiro Maeda
General Manager
Corporate Communications Department
Tel: +81-3-3245-5175
Fax: +81-3-3245-5459

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