

**Business Performance
for the First Quarter
of the year ending March 31, 2008**

August 10, 2007

TOYO TIRE & RUBBER CO.,LTD.

- 1 . Consolidated Business Results for the First Quarter of FY2007**
- 2. Consolidated Business Forecast for the First Half of FY2007**
- 3 . Supplemental Information on Business Results and Forecasts**

The forward-looking statements contained in these business forecasts and plans are based on information available at the current time and may contain potential risks and uncertainties.

Therefore, please keep in mind that actual results may, due to a variety of factors, differ from those expressed in the forward-looking statements.

Business Results – Record-high first quarter net sales, operating income and ordinary income

Net sales have been disclosed since FY2003; operating income, ordinary income and net income since FY2005

(Unit: Millions of yen)

	Results for 1 st Q of FY2006	Results for 1 st Q of FY2007 (Yr.-on-Yr.)
Net sales	73,882	82,777 112.0%
Operating income	3,451	4,217 122.2%
Ordinary income	2,748	4,240 154.3%
Net income	8,130	3,632 44.7%

Results by Business Segment

(Unit: Millions of Yen)

		Results for 1 st Q of FY2006	Results for 1 st Q of FY2007	(Yr.-on-Yr.)
Tires	Net sales	49,860	58,468	117.3%
	Operating income	3,185	4,075	127.9%
DiverTech and other businesses	Net sales	24,022 *	24,308	101.2%
	Operating income	241 *	136	56.4%
Chemical & Industrial Products	Net sales	10,122	-	-
	Operating income	207	-	-
Automotive Parts	Net sales	13,806	-	-
	Operating income	-33	-	-
Other Businesses	Net sales	93	-	-
	Operating income	41	-	-

* 1st Q results of FY2006 for DiverTech and other businesses have been calculated in accordance with the current business classifications.

Results by Geographic Segment

(Unit: Millions of Yen)

		Results for 1 st Q of FY2006	Results for 1 st Q of FY2007	(Inc/Dec)
Japan	Net sales	44,010	42,369	-1,641
	Operating income	3,124	2,263	-861
North America	Net sales	22,852	27,558	+4,706
	Operating income	7	1,370	+1,363
Others	Net sales	7,020	12,849	+5,829
	Operating income	337	475	+138

* Net sales do not include intersegment sales and transfer amounts

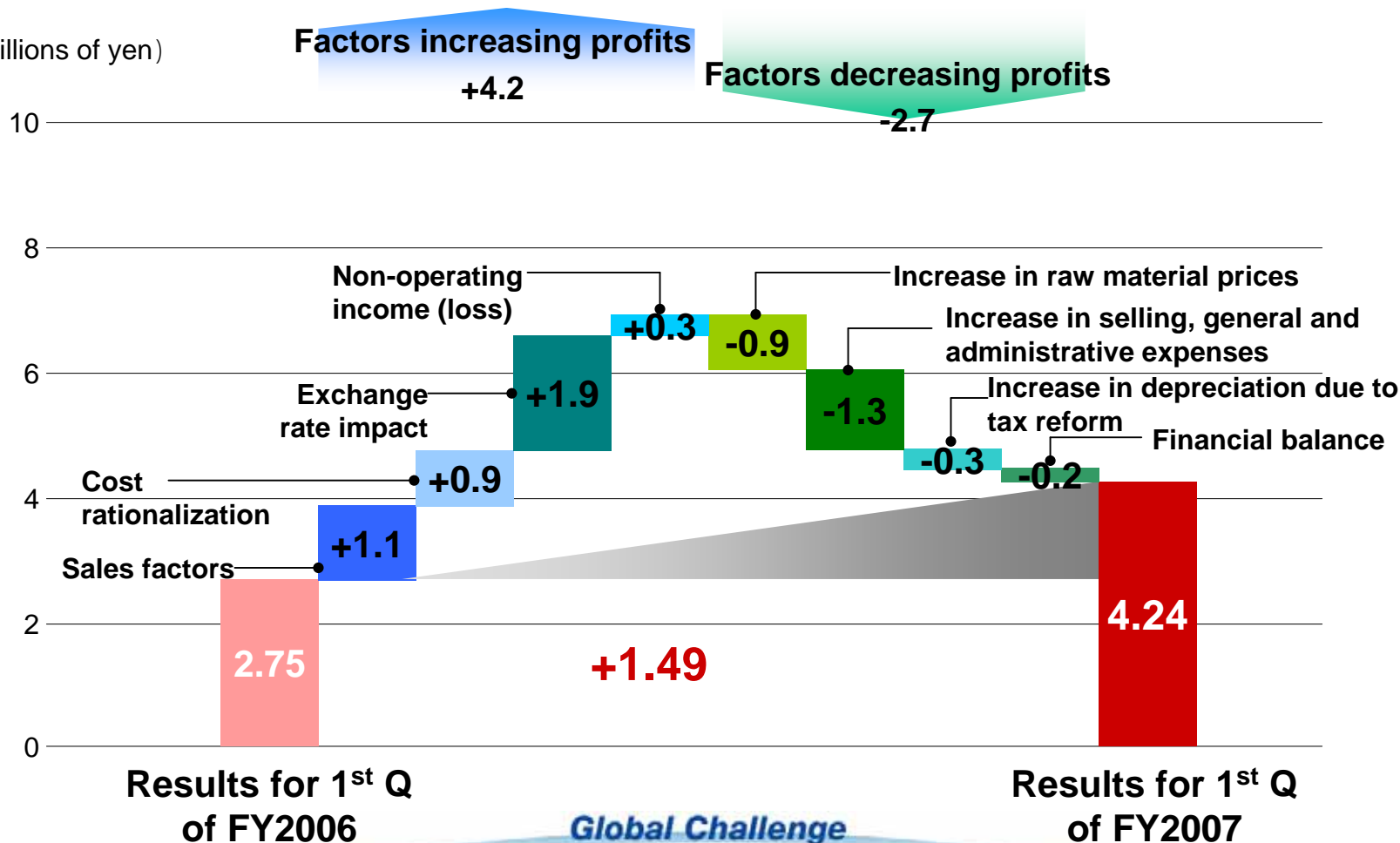
1. Consolidated Business Results for the First Quarter of FY2007 (4)

Factors contributing to the change in ordinary income (Year-on-Year)

(Unit: Millions of yen)

Results for 1 st Q of FY2006	Results for 1 st Q of FY2007	Increase (decrease)
2,748	4,240	+1,492

(Unit: Billions of yen)



Business Forecasts – Interim sales are expected to set new records

(Units: Millions of yen)

	Results for 1 st H of FY2006	Forecasts for 1 st H of FY2007 (Yr.-on-Yr.)	Previous Forecast (Released 2007/05/15)
Net sales	145,761	172,000 118.0%	164,000
Operating income	5,931	5,800 97.8%	3,000
Ordinary income	4,404	4,900 111.3%	1,900
Net income	8,596	3,900 45.4%	400

Forecasts by Business Segment

(Unit: Millions of yen)

		Results for 1 st H of FY2006	Forecasts for 1 st H of FY2007 (Yr.-on-Yr.)		Previous Forecast (Released 2007/05/15)
Tires	Net sales	96,992	122,000	125.8%	115,000
	Operating income	5,226	6,000	114.8%	3,000
DiverTech and other businesses	Net sales	48,768 *	50,000	102.5%	49,000
	Operating income	708 *	-200	-	0
Chemical & Industrial Products	Net sales	20,492	-	-	-
	Operating income	421	-	-	-
Automotive Parts	Net sales	28,086	-	-	-
	Operating income	121	-	-	-
Other Businesses	Net sales	189	-	-	-
	Operating income	127	-	-	-

* 1st H results of FY2006 for DiverTech and other businesses have been calculated in accordance with the current business classifications.

Forecasts by Geographic Segment

(Units: Millions of yen)

		Results for 1 st H of FY2006	Forecasts for 1 st H of FY2007	(Inc/Dec)
Japan	Net sales	84,392	88,000	3,608
	Operating income	5,369	2,800	-2,569
North America	Net sales	45,654	58,000	12,346
	Operating income	540	2,200	1,660
Others	Net sales	15,713	26,000	10,287
	Operating income	-12	800	812

* Net sales do not include intersegment sales and transfer amounts

2. Consolidated Business Forecast for the First Half of FY2007 (4)

Factors contributing to the change in ordinary income (Year-on-Year)

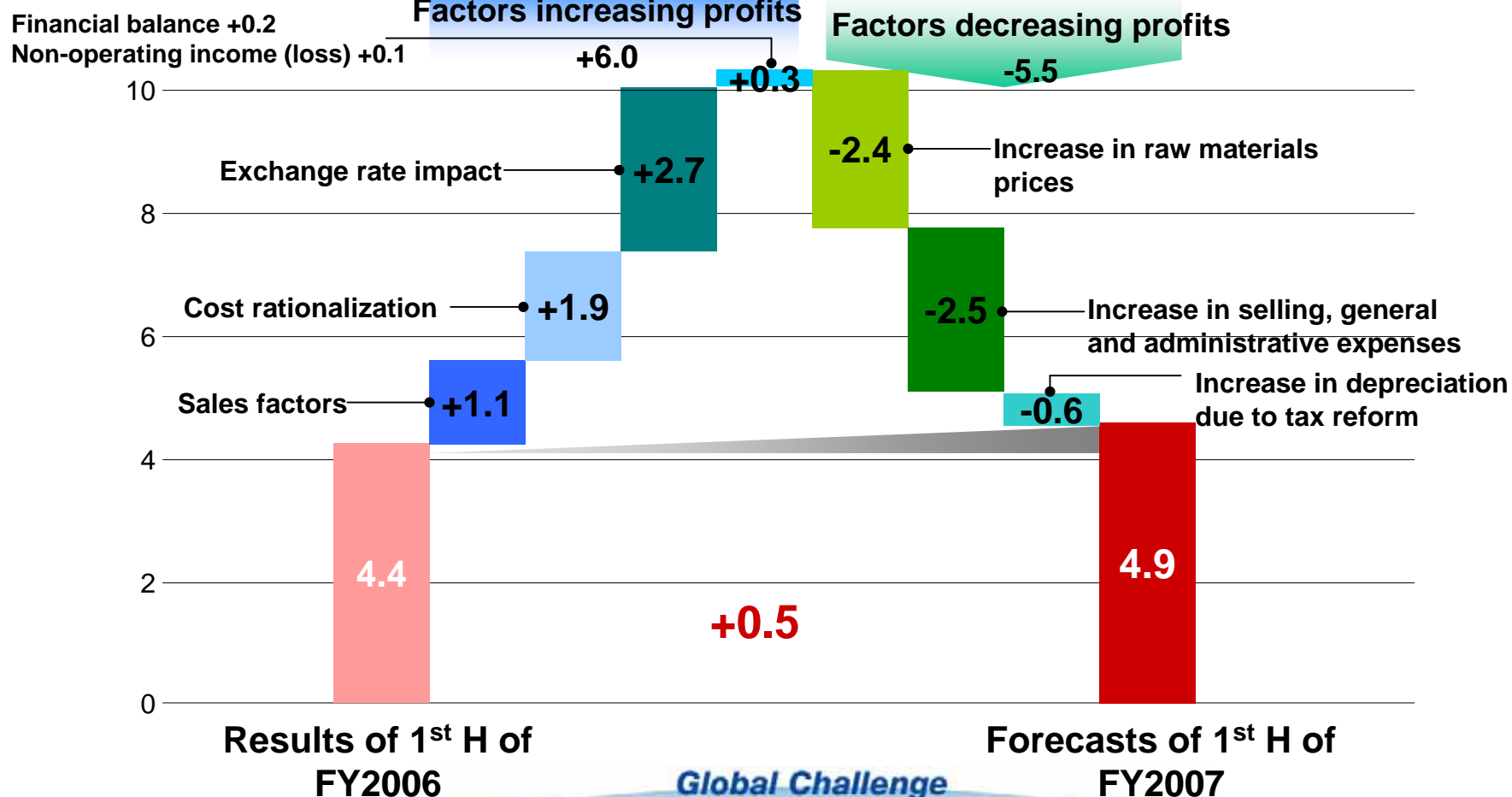
(Unit: Millions of yen)

Results of 1 st H of FY2006	Forecasts of 1 st H of FY2007	Increase (Decrease)
4,404	4,900	+496

Previous Forecast
(Released 2007/05/15)

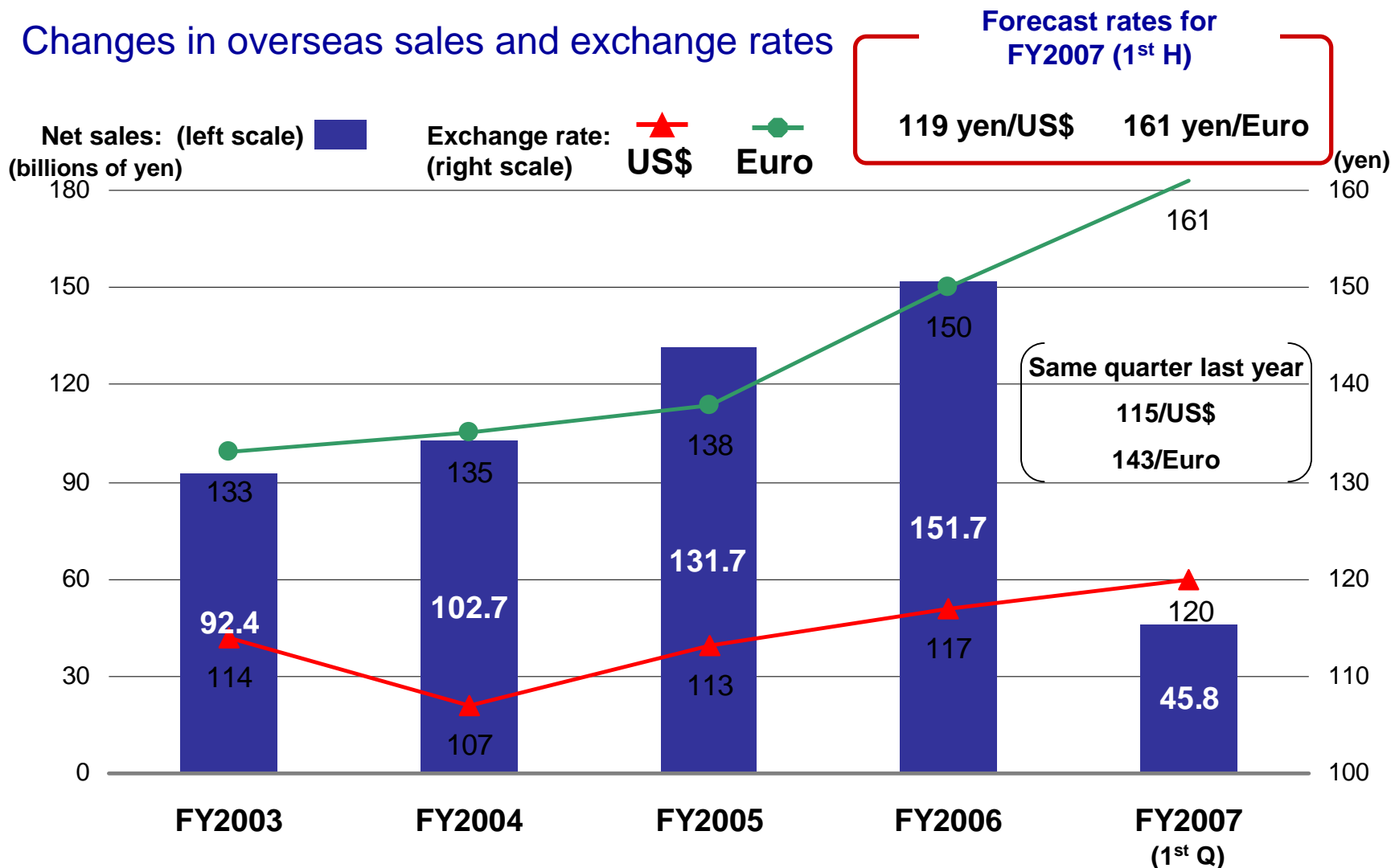
1,900

(Unit: Billions of yen)



3. Supplemental Information on Business Results and Forecasts (1)

Changes in overseas sales and exchange rates

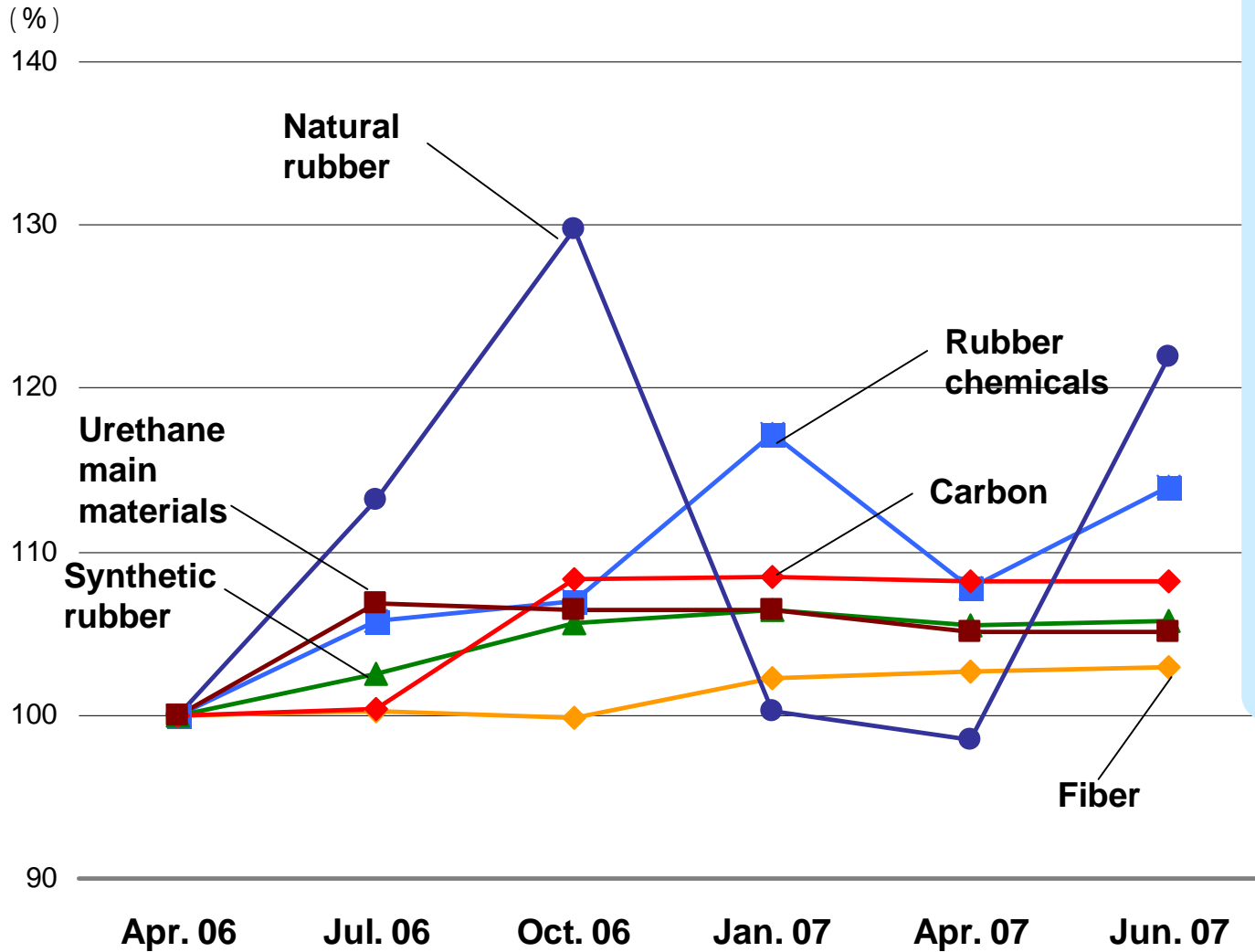


Exchange rate sensitivity (impact of 1 yen fluctuation on ordinary income)

US\$: 300 million yen/year

Euro: 150 million yen/year

Changes in primary raw material prices



Impact of raw material price increases
(Yr-on-yr/Ordinary income basis)

FY2007 1st Q actual:
-0.9 billion yen

FY2007 1st H forecast:
-2.4 billion yen
(almost same as initial forecast)

< Future risk >
Continuing high price of domestic naphtha
Price of natural rubber increasing

Tires: Production, sales, and inventory

Production ... 6% increase (year-on-year/quantity basis)

By country	Increase/decrease	Characteristics
Japan	Same	Continuing full production operation
U.S.	Increase	Start of full-scale operation at TNA
China	Increase	Taking more products from the JV production sites in China

Sales ... 6% increase (year-on-year/quantity basis)

By category	Increase/decrease	Characteristics
Japan: for new cars	Decrease	Continuing trend to larger diameters
Japan: for stores	Same	Increase in component ratio of Tranpath Series
Overseas: for stores	Increase	Substantial increase in sales in North America and elsewhere (14% increase)

Inventory ... Overall decline in average age of inventory (months) at overseas sales companies (1.9 → 1.8 months)

Seasonal factor: Manufacturers' inventories have increased with winter tire stocks

Expanded sales factor: Inventory has increased due to increased sales, but average age of inventory (months) decreased.

*Overseas sales companies' fiscal terms end in December. Inventories at the end of December 2006 and the end of March 2007 are compared.

* Average age of inventory (months) = inventory at end of month / average cost of goods sold during the last 3-month period



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