

Summary Report of Business Performance for the First Quarter of the Fiscal Year Ending March 2006

OSAKA, JAPAN - August 11, 2005 - Toyo Tire & Rubber Co. Ltd. (President: Yoshio Kataoka) announces its consolidated business results for the first quarter of FY2005 (from April 1 through June 30, 2005). Net sales were 71,409 million yen (an increase of 13.9% from the same period of the previous year); operating income was 3,176 million yen; ordinary income was 3,566 million yen; and net profit totaled 722 million yen.

Results for each business segment are presented in the following sections.

1. Tires

Sales of original equipment tires increased over the same period of the previous year, as a result of an increase in the production of new models equipped with our products, which coincided with a general increase in domestic vehicle production. Domestic sales of replacement tires decreased slightly from the previous year, resulting from a counter-reaction to the last-minute demand spike that occurred just before the previous year's price hike. Sales in the overseas market greatly increased over the previous year, due to favorable sales of high-value-added products such as large-diameter tires. Net sales in this segment were 46,816 million yen (an increase of 16.0% over the previous year), and operating income was 2,824 million yen.

2. Chemical & Industrial Products

Sales in the industrial rubber products area increased over the previous year, due to increased orders for anti-vibration rubber for railroad vehicles, air springs, and waterproof sheets. Sales in the industrial polyurethane products area vastly increased over the previous year, due to increased orders for polyurethane thermal insulation boards for livestock barns, polyurethane concentrate solution for residential housing, and the completion of the thermal insulation works on LNG (liquefied natural gas) tanks. Net sales in this segment were 10,800 million yen (an increase of 22.0% over the previous year), and operating income was 305 million yen.

3. Automotive Parts

Sales of anti-vibration rubber products increased over the previous year, due to an increase in orders for our products by major customers at home and abroad caused by increased automobile production. Sales of seat cushions also increased over the previous year, due to an increase in new orders. Net sales in this segment were 13,421 million yen (an increase of 2.4% over the previous year), with an operating loss of 72 million yen.

The projected business results for the mid-term of FY2005 have been revised from the previously released (May 11, 2005) projection, due to healthy sales growth under steady demand, and the greater-than-expected depreciation of the yen in exchange markets.

(Unit : millions of yen)

	Sales	Ordinary Income	Net Profit for This Term
Previously released projection (May 11, 2005)	136,000	2,500	1,000
Revised projection (current)	139,000	5,300	1,300

Regarding the projected business results for the full FY2005, a revision will be made at the time of the announcement of mid-term account settlement for 2005.

Note: The above projected business results are based on current information, and are subject to potential risks and uncertainties. Therefore, please note that actual business results may differ from the projection, due to a variety of causes.

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【 Outline of Consolidated Statement 】

(Unit : millions of yen)

	1 st quarter FY2005 (From April 1 through June 30, 2005)	1 st quarter FY2004 (From April 1 through June 30, 2004)	FY2004 (From April 1, 2004 through March 31, 2005)
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Business Results

Net Sales	71,409	62,720	269,974
Operating Income	3,176	-	12,067
Ordinary Income	3,566	-	12,603
Quarterly Profit (this term)	722	-	7,480
Quarterly Profit (this term) per Share: yen	3.46	-	35.61

Financial Condition

Total Assets	286,628	-	284,464
Ownership capital	74,375	-	74,723
Parent/Subsidiary Share Capital Ratio: %	25.9	-	26.3
Ownership Capital per Share: yen	355.66	-	357.17

By Business Field

Tires			
Net Sales	46,816	40,359	173,945
Operating Income	2,824	-	11,097
Chemical & Industrial Products			
Net Sales	10,800	8,851	39,897
Operating Income	305	-	277
Automotive Parts			
Net Sales	13,421	13,105	54,500
Operating Income	(72)	-	146
Other Businesses			
Net Sales	371	404	1,631
Operating Income	106	-	478

By Location

Japan			
Net Sales	44,860	-	187,828
Operating Income	2,173	-	10,539
North America			
Net Sales	20,190	-	66,339
Operating Income	388	-	1,138
Others			
Net Sales	6,358	-	15,806
Operating Income	614	-	536

Notes

1. Items other than net sales (except for sales by location) for the 1st quarter of last year have entries, due to the non-disclosure of the results for the 1st quarter of last year.
2. In the "By Location" field, "North America" includes the USA and Canada, and "Others" includes Europe, Oceania and others.