

**Announcement of Business Results for
the 3Q and Nine Months Ended December 31, 2023**

February 8, 2024

Toray Industries, Inc.

- I. Consolidated Business Results for the 3Q and Nine Months Ended December 31, 2023 2**

- II. Business Forecast for the Fiscal Year Ending March 2024 (Consolidated Basis) 16**

- III. Reference 20**

Consolidated Business Results for the 3Q and Nine Months Ended December 31, 2023

Summary of Consolidated Business Results for the 3Q and Nine Months Ended December 31, 2023

Billion yen

| | FY Mar/23 3Q (Oct.-Dec.) | FY Mar/24 3Q (Oct.-Dec.) | Changes | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
|--|--------------------------------|--------------------------------|---------------|---|---|----------------|
| Revenue | 640.0 | 630.0 | -10.0 (-1.6%) | 1,901.8 | 1,829.4 | -72.4 (-3.8%) |
| Core Operating Income | 26.0 | 28.5 | +2.5 (+9.6%) | 80.4 | 77.2 | -3.3 (-4.0%) |
| (Core Operating Margin) | 4.1% | 4.5% | +0.5 points | 4.2% | 4.2% | -0.0 point |
| Special Items | ▲ 1.1 | ▲ 1.6 | -0.4 | 18.2 | ▲ 5.8 | -24.0 |
| Financial Income and Costs | ▲ 3.5 | ▲ 1.6 | +1.9 | ▲ 1.9 | ▲ 4.0 | -2.1 |
| Share of profit of investments accounted for using equity method | 2.7 | 2.0 | -0.7 | 12.2 | 8.9 | -3.3 |
| Profit before Tax | 24.0 | 27.3 | +3.3 (+13.7%) | 109.0 | 76.3 | -32.7 (-30.0%) |
| Profit Attributable to Owners of Parent | 15.4 | 16.8 | +1.4 (+8.7%) | 74.6 | 45.7 | -28.9 (-38.8%) |

<Exchange Rate>

| | FY Mar/23 3Q (Oct.-Dec.) | FY Mar/24 3Q (Oct.-Dec.) | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) |
|-----------------|--------------------------------|--------------------------------|---|---|
| Yen / US\$ | | | | |
| Average | 141.6 | 147.9 | 136.5 | 143.3 |
| End of the Term | 132.7 | 141.8 | | |
| Yen / Euro | | | | |
| Average | 144.3 | 159.1 | 140.6 | 155.3 |
| End of the Term | 141.5 | 157.1 | | |

Special Items

Billion yen

| | FY Mar/23 3Q (Oct.-Dec.) | FY Mar/24 3Q (Oct.-Dec.) | Changes | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
|---|--------------------------------|--------------------------------|-------------|---|---|--------------|
| Gain on Sale or Disposal of Fixed Assets | 0.1 | 0.4 | +0.3 | 0.3 | 1.1 | +0.9 |
| Gain on loss of control of subsidiaries* ¹ | - | - | - | 25.1 | - | -25.1 |
| Loss on Sale or Disposal of Fixed Assets | ▲ 1.2 | ▲ 1.9 | -0.7 | ▲ 2.6 | ▲ 4.5 | -1.9 |
| Impairment Losses | ▲ 0.0 | ▲ 0.1 | -0.0 | ▲ 1.1 | ▲ 0.6 | +0.5 |
| Provision for Product Warranties* ² | - | - | - | ▲ 3.5 | ▲ 1.8 | +1.6 |
| Other | - | - | - | 0.0 | - | -0.0 |
| Special Items | ▲ 1.1 | ▲ 1.6 | -0.4 | 18.2 | ▲ 5.8 | -24.0 |

*¹ Gain on revaluation of investment resulting from establishment of the joint venture LG Toray Hungary Battery Separator Kft. with LG Chem, Ltd. (LG Chem). In this joint venture, LG Chem made an investment in Toray Industries Hungary Kft., which manufactures and sells separator film for rechargeable lithium-ion batteries in Hungary.

*² Costs required for the replacement or repair of products that may be defective among some products for industrial applications that the Company has manufactured and sold in the past in the Carbon Fiber Composite Materials Business.

Assets, Liabilities, Equity, and Free Cash Flow

Billion yen

| | End of Mar/23 | End of Dec/23 | Changes |
|--------------------------------------|---------------|----------------|---------|
| Total Assets | 3,194.0 | 3,388.4 | +194.3 |
| Current Assets | 1,429.3 | 1,533.4 | +104.1 |
| Property, Plant and Equipment | 1,007.8 | 1,047.0 | +39.2 |
| Other Non-current Assets | 756.9 | 808.0 | +51.0 |

| | | | |
|--------------------------------|---------|----------------|--------|
| Total Liabilities | 1,558.2 | 1,625.6 | +67.4 |
| Current Liabilities | 826.2 | 889.6 | +63.4 |
| Non-current Liabilities | 732.0 | 736.0 | +4.0 |
| Equity | 1,635.8 | 1,762.8 | +127.0 |

| | | | |
|-------------------------|---------|----------------|-------------|
| Owner's Equity * | 1,535.0 | 1,655.9 | +120.9 |
| Equity Ratio * | 48.1% | 48.9% | +0.8 points |

| | | | |
|-------------------------------------|-------|--------------|-------|
| Interest-bearing Liabilities | 950.1 | 998.1 | +48.0 |
|-------------------------------------|-------|--------------|-------|

| | | | |
|------------------|------|-------------|-------|
| D/E Ratio | 0.62 | 0.60 | -0.02 |
|------------------|------|-------------|-------|

<Free Cash Flow>

| | FY Mar/23 Nine months (Apr.-Dec.) | FY Mar/24 Nine months (Apr.-Dec.) | Changes |
|--|---|---|---------|
| Cash Flows from Operating Activities | 20.7 | 106.2 | +85.5 |
| Cash Flows from Investment Activities | ▲ 69.9 | ▲ 86.9 | -17.0 |
| Free Cash Flow | ▲ 49.2 | ▲ 19.3 | +68.5 |

*Owner's equity=average equity attributable to owners of parent

Capital Expenditures, Depreciation and Amortization, and R&D Expenditures

Billion yen

| | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
|--------------------------------------|---|---|---------|
| Capital Expenditures | 68.3 | 95.0 | +26.6 |
| Toray | 17.8 | 18.9 | +1.1 |
| Consolidated Subsidiaries | 50.6 | 76.1 | +25.5 |
| Depreciation and Amortization | 97.7 | 99.0 | +1.3 |
| Toray | 26.1 | 25.2 | -0.9 |
| Consolidated Subsidiaries | 71.5 | 73.7 | +2.2 |
| R&D Expenditures | 49.4 | 50.2 | +0.8 |
| Toray | 35.4 | 34.9 | -0.6 |
| Consolidated Subsidiaries | 14.0 | 15.3 | +1.3 |

Major Capital Expenditure Projects

| | |
|---|---|
| Toray Industries, Inc. | : Production facilities for microfiber fabric with a suede texture |
| Toray Advanced Materials Korea Inc. | : PPS resin production facilities, Carbon fiber production facilities |
| Zoltek Companies, Inc. | : Carbon fiber production facilities |
| Toray Composite Materials America, Inc. | : Carbon fiber production facilities |
| Toray Carbon Fibers Europe S.A. | : Carbon fiber production facilities |

Revenue and Core Operating Income by Segment, and Factor Analysis of Core Operating Income

Billion yen

| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes | |
|-----------------------|---|---|---|---------|----------|
| Revenue | Fibers & Textiles | 784.8 | 745.4 | -39.4 | (-5.0%) |
| | Performance Chemicals | 698.3 | 659.6 | -38.7 | (-5.5%) |
| | Carbon Fiber Composite Materials | 211.2 | 209.3 | -1.9 | (-0.9%) |
| | Environment & Engineering | 156.2 | 165.0 | +8.9 | (+5.7%) |
| | Life Science | 40.2 | 38.4 | -1.8 | (-4.5%) |
| | Other | 11.2 | 11.7 | +0.5 | (+4.6%) |
| | Total | 1,901.8 | 1,829.4 | -72.4 | (-3.8%) |
| Core Operating Income | Fibers & Textiles | 39.6 | 43.8 | +4.2 | (+10.7%) |
| | Performance Chemicals | 30.0 | 24.3 | -5.6 | (-18.8%) |
| | Carbon Fiber Composite Materials | 11.8 | 11.4 | -0.4 | (-3.7%) |
| | Environment & Engineering | 12.9 | 14.6 | +1.7 | (+13.4%) |
| | Life Science | 0.6 | ▲ 0.8 | -1.4 | (-) |
| | Other | 1.1 | 1.7 | +0.6 | (+49.0%) |
| | Reconciliations | ▲ 15.5 | ▲ 17.8 | -2.3 | |
| | Total | 80.4 | 77.2 | -3.3 | (-4.0%) |

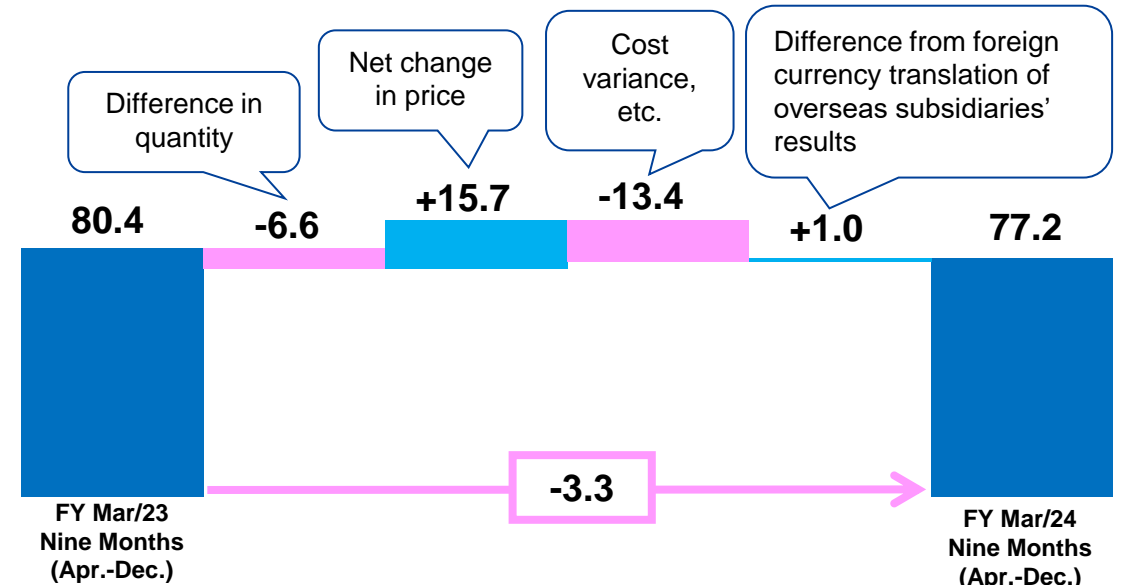
<Consolidated Business Result: Nine Months Ended December 31, 2023 (Apr.-Dec.)>

The Fibers & Textiles and Environment & Engineering segments were strong. The Performance Chemicals segment was sluggish, as in the films business, the impact of inventory adjustment persisted in supply chains for electronic parts.

In the Carbon Fiber Composite Materials segment, the aerospace applications recovered steadily, while wind turbine blade applications entered into an adjustment phase and demand for the industrial applications including pressure vessels softened.

As a result, core operating income of the entire Toray Group was 77.2 billion yen, 4.0% decrease on a year-to-year comparison.

Billion yen



Business Results by Segment (Fibers & Textiles)

Billion yen

| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes | |
|-----------------------|-----------------------|---|---|---------|----------|
| Revenue | Toray | 159.3 | 159.7 | +0.4 | (+0.2%) |
| | Japanese Subsidiaries | 399.8 | 367.1 | -32.6 | (-8.2%) |
| | Overseas Subsidiaries | 529.0 | 497.5 | -31.4 | (-5.9%) |
| | Adjustments | ▲ 303.2 | ▲ 278.9 | +24.3 | |
| | Total | 784.8 | 745.4 | -39.4 | (-5.0%) |
| Core Operating Income | Toray | 12.8 | 10.8 | -2.0 | (-15.6%) |
| | Japanese Subsidiaries | 8.7 | 12.6 | +3.9 | (+44.9%) |
| | Overseas Subsidiaries | 18.5 | 20.4 | +1.9 | (+10.0%) |
| | Adjustments | ▲ 0.5 | 0.0 | +0.5 | |
| | Total | 39.6 | 43.8 | +4.2 | (+10.7%) |

<Business Performance>

■ General

The apparel applications were impacted by worsening market conditions, and hygiene material applications were sluggish from the worsening supply-demand balance. Industrial applications maintained a recovery trend on the back of continued demand recovery in automobile applications and expansion in EV applications.

<Topics>

- November 2023:
Toray has developed DEWEIGHT™, a water-repellent stretch textile with an excellent waterdrop removal property*1, materializing it without per- and poly-fluoroalkyl substances (PFAS). Toray will promote applications of this textile from outerwear to bottomwear for both men and women from spring/summer 2025 and aims 200,000 meters of sales in FY 2025 and 500,000 meters in FY 2027.

*1: Superior in water repellency with a textile structure which allows waterdrops on the surface to roll off smoothly.

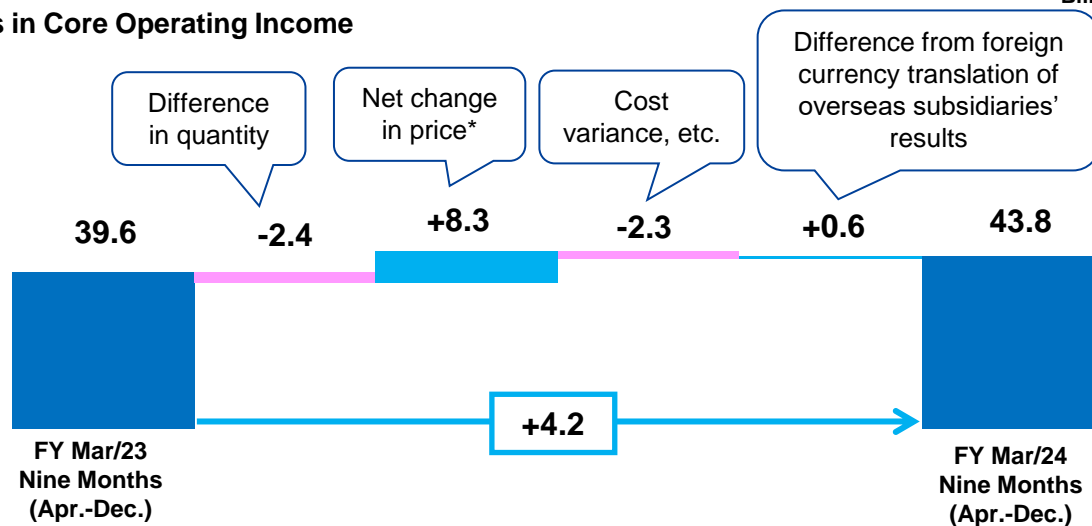
- December 2023:
Toray has concluded an agreement with Yoshida Co. to jointly create materials for its Porter™*2 brand's Tanker™ bags employing Ecodear™ N510, which is 100% plant-based nylon fiber. In addition, Toray's chemical-recycled nylon derived from recovered fishing nets is used for the lining of the bags. The new Tanker™ series will be available at stores in Japan from spring of 2024.

*2: Porter™ and Tanker™ are registered trademarks of Yoshida Co.

*3: This fiber incorporates 100% biobased synthetic polymer content as defined under section 3.1.5 of ISO 16620-1: 2015, the international standard for the biobased content of plastics.

Changes in Core Operating Income

Billion yen



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Business Results by Segment (Performance Chemicals)

Billion yen

| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes | |
|-----------------------------|-----------------------|---|---|---------|-----------|
| Revenue | Toray | 195.2 | 175.0 | -20.1 | (-10.3%) |
| | Japanese Subsidiaries | 411.5 | 364.1 | -47.3 | (-11.5%) |
| | Overseas Subsidiaries | 428.2 | 432.0 | +3.8 | (+0.9%) |
| | Adjustments | ▲ 336.6 | ▲ 311.5 | +25.1 | |
| | Total | 698.3 | 659.6 | -38.7 | (-5.5%) |
| Core Operating Income | Toray | 10.4 | 2.3 | -8.1 | (-77.8%) |
| | Japanese Subsidiaries | 18.0 | 17.0 | -1.0 | (-5.6%) |
| | Overseas Subsidiaries | 0.5 | 4.7 | +4.2 | (+764.8%) |
| | Adjustments | 1.0 | 0.3 | -0.7 | |
| | Total | 30.0 | 24.3 | -5.6 | (-18.8%) |

<Business Performance>

■ Resins Business

The resins business was weak given the impact of demand decline in the Chinese markets and other factors, while automobile applications in Japan showed signs of improvement.

■ Film Business

In the films business, the impact of inventory adjustment persisted in supply chains for electronic parts.

■ Electronic & Information Material Business

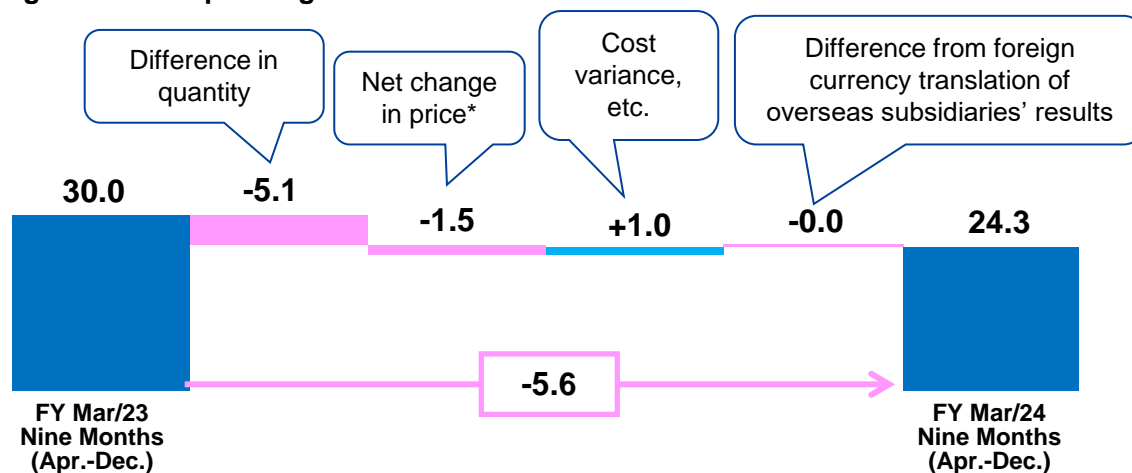
Demand for OLED-related materials and circuit materials saw some recovery.

<Topics>

- October 2023:
Toray has developed a new technology that makes it possible to recycle glass fiber-reinforced polyphenylene sulfide (PPS-GFRP) whose performance matches initial performance of virgin resins. This technology can deliver comparable mechanical strength with injection grade moldings wholly made with virgin material. This is even when recycled material accounts for 50% or more of the PPS-GFRP. Another benefit of 50% recycled content is that it reduces CO₂ emission by at least 40%.
- November 2023:
Toray has developed a flexographic plate*¹ which offers full water development*² and high-definition printing quality, now available under the new RESOLUCIA™ brand. The company launched the new offering in January 2024.
*1: A letterpress printing technique employing resin or rubber plate materials.
*2: Full water development uses only room temperature tap water for printing plate development, eliminating the use of organic solvents or additives.

Changes in Core Operating Income

Billion yen



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Breakdown of Performance Chemicals Segment

Billion yen

| | FY Mar/23 Nine Months (Apr.-Dec.) | | FY Mar/24 Nine Months (Apr.-Dec.) | | |
|---|---|-------|---|------------|-------------|
| | Revenue | Ratio | Revenue | Ratio | Changes |
| Resins, Chemicals | 320.0 | 31% | 292.4 | 30% | -9% |
| Films | 246.1 | 24% | 241.5 | 25% | -2% |
| Electronic & Information Materials | 42.3 | 4% | 48.2 | 5% | +14% |
| Trading, Other | 426.4 | 41% | 389.0 | 40% | -9% |
| Adjustments | ▲ 336.6 | - | ▲ 311.5 | - | - |
| Total | 698.3 | | 659.6 | | -6% |

Business Results by Segment (Carbon Fiber Composite Materials)

Billion yen

| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
|-----------------------|-----------------------|---|---|---------------|
| Revenue | Toray | 65.7 | 68.6 | +2.9 (+4.4%) |
| | Japanese Subsidiaries | 52.3 | 49.8 | -2.6 (-5.0%) |
| | Overseas Subsidiaries | 192.2 | 199.9 | +7.7 (+4.0%) |
| | Adjustments | ▲ 99.0 | ▲ 109.0 | -9.9 |
| | Total | 211.2 | 209.3 | -1.9 (-0.9%) |
| Core Operating Income | Toray | 10.4 | 12.7 | +2.4 (+22.9%) |
| | Japanese Subsidiaries | 1.1 | 0.8 | -0.3 (-28.7%) |
| | Overseas Subsidiaries | 4.5 | 3.1 | -1.4 (-31.0%) |
| | Adjustments | ▲ 4.1 | ▲ 5.2 | -1.1 |
| | Total | 11.8 | 11.4 | -0.4 (-3.7%) |

<Business Performance>

• General

The aerospace applications recovered steadily, while wind turbine blade applications entered into an adjustment phase and demand for the industrial applications including pressure vessels softened.

<Topics>

• October 2023:

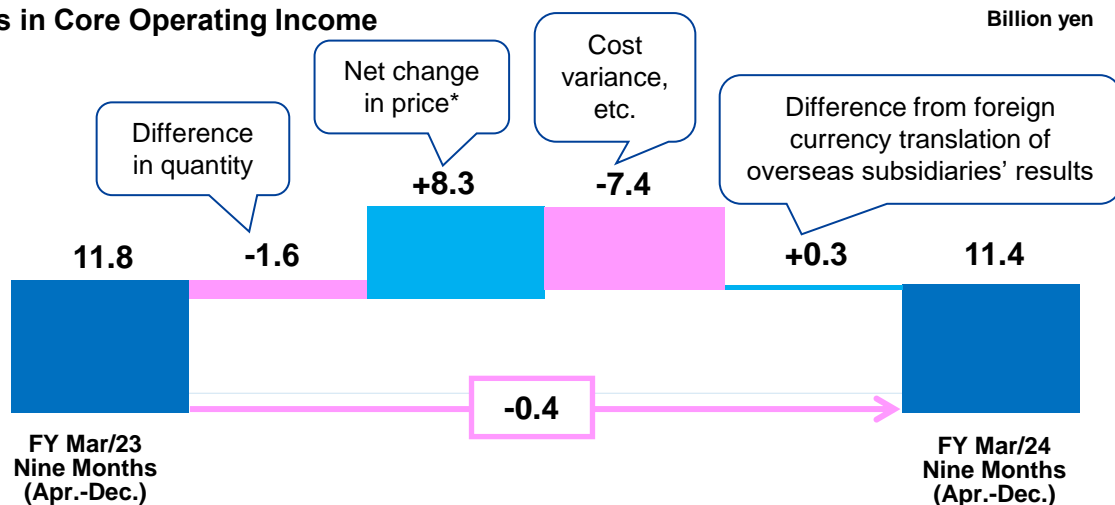
Toray has decided to expand Toray Carbon Fibers Europe S.A.'s production facilities for regular tow medium- and high-modulus carbon fibers. This move will increase annual capacity from 5,000 metric tons annually to 6,000 metric tons. Production is scheduled to start in 2025. Toray is responding to increasing demand for medium- and high-modulus carbon fibers used for secondary structures and engines of commercial aircrafts, whose construction rate is expected to grow, as well as centrifuge for energy production, satellites, and high-end automobiles.

• October 2023:

Toray has developed TORAYCA™ T1200, which is the world's highest strength carbon fiber. To respond to the increasing market demand for high-strength carbon fiber, the company has refined its proprietary nanoscale structural control technology to design and achieve an internal structure with high toughness. The company will promote this product in a wide range of applications from sporting and leisure goods to aircrafts.

Changes in Core Operating Income

Billion yen



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Breakdown of Carbon Fiber Composite Materials Segment

Billion yen

| | FY Mar/23 Nine Months (Apr.-Dec.) | | FY Mar/24 Nine Months (Apr.-Dec.) | | |
|-------------------|---|------------|---|------------|-------------|
| | Revenue | Ratio | Revenue | Ratio | Changes |
| Aerospace | 41.5 | 20% | 62.7 | 30% | +51% |
| Sports | 29.4 | 14% | 20.4 | 10% | -31% |
| Industrial | 140.3 | 66% | 126.2 | 60% | -10% |
| Total | 211.2 | | 209.3 | | -1% |

Business Results by Segment (Environment & Engineering)

| | | Billion yen | | |
|-----------------------|-----------------------|---|---|---------------|
| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
| Revenue | Toray | 27.0 | 27.7 | +0.8 (+2.9%) |
| | Japanese Subsidiaries | 150.8 | 163.9 | +13.2 (+8.7%) |
| | Overseas Subsidiaries | 46.8 | 51.5 | +4.7 (+10.0%) |
| | Adjustments | ▲ 68.4 | ▲ 78.2 | -9.8 |
| | Total | 156.2 | 165.0 | +8.9 (+5.7%) |
| Core Operating Income | Toray | 2.1 | 3.0 | +0.9 (+41.5%) |
| | Japanese Subsidiaries | 4.5 | 4.8 | +0.3 (+7.1%) |
| | Overseas Subsidiaries | 6.5 | 6.4 | -0.1 (-2.0%) |
| | Adjustments | ▲ 0.3 | 0.4 | +0.7 |
| | Total | 12.9 | 14.6 | +1.7 (+13.4%) |

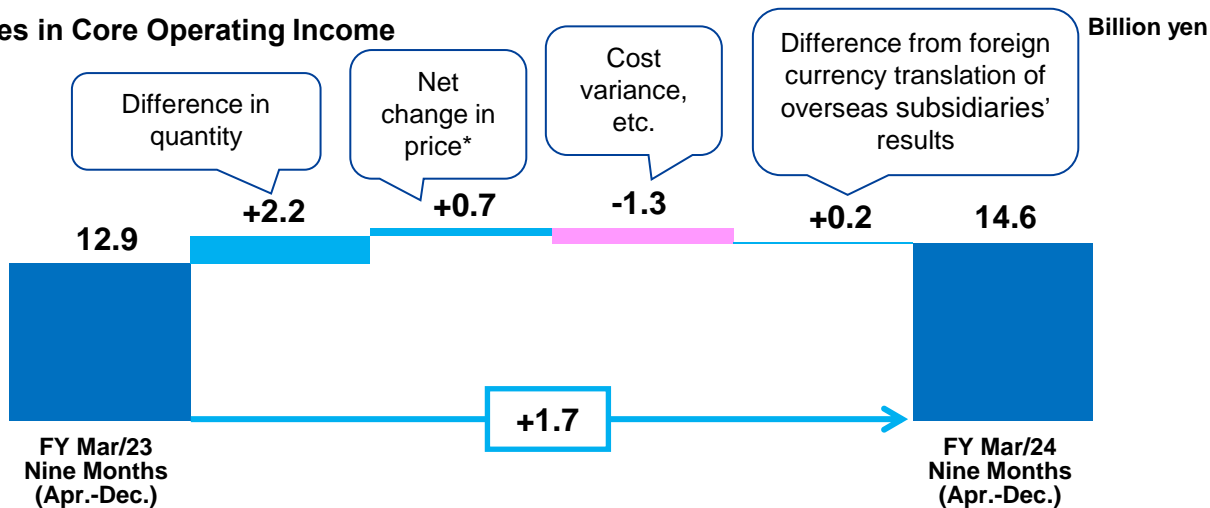
<Business Performance>

- **Water Treatment**
Shipment in the U.S. and China, the two major markets for reverse osmosis membranes, was strong.
- **Japanese Subsidiaries**
Sales of a construction subsidiary in Japan were strong.

<Topics>

- October 2023:
A new facility at Toray Industries (India) Private Limited began production of air filters for air purifiers, automotive, air conditioners, and building air conditioners. The products are excellent in minimizing pressure losses and delivering high dust collection efficiency. In India, worsening air pollution has heightened awareness of the need to deploy environmental measures, and Toray expects rise in demand for high-performance, high-quality air filter. To quickly cater to the increasingly sophisticated performance demand of its customers, the company will swiftly identify the needs in the country and reflect them in developing new offerings.

Changes in Core Operating Income



* Difference in selling price and price change of products less subject to price effect of petrochemical-based raw materials (net).

Business Results by Segment (Life Science)

Billion yen

| | | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
|-----------------------|-----------------------|---|---|---------------|
| Revenue | Toray | 18.3 | 18.3 | -0.1 (-0.3%) |
| | Japanese Subsidiaries | 31.8 | 31.2 | -0.6 (-1.8%) |
| | Overseas Subsidiaries | 12.7 | 11.2 | -1.5 (-11.8%) |
| | Adjustments | ▲ 22.6 | ▲ 22.3 | +0.3 |
| | Total | 40.2 | 38.4 | -1.8 (-4.5%) |
| Core Operating Income | Toray | ▲ 1.7 | ▲ 1.8 | -0.1 (-) |
| | Japanese Subsidiaries | 1.4 | 0.6 | -0.7 (-53.1%) |
| | Overseas Subsidiaries | 0.7 | 0.5 | -0.2 (-27.3%) |
| | Adjustments | 0.3 | ▲ 0.1 | -0.4 |
| | Total | 0.6 | ▲ 0.8 | -1.4 (-) |

<Business Performance>

■ Pharmaceutical Business

Sales of oral anti-pruritic drug REMITCH® were affected by the introduction of its generic versions and the NHI drug price revision, and that of orally active prostacyclin derivative DORNER® were affected by inventory adjustment overseas.

*REMITCH® is a registered trademark of Torii Pharmaceutical Co., Ltd.

■ Medical Devices Business

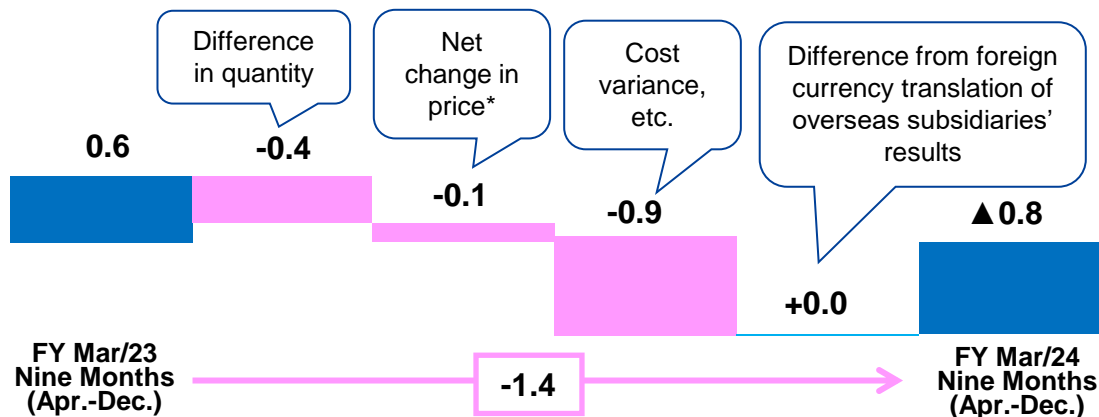
Though sales of dialyzers were affected by the soaring prices of raw materials and fuels, shipment of dialyzers for hemodiafiltration in Japan was strong.

<Topics>

- November 2023:
Toray has received the 2023 Technology Award from the Japanese Society for Artificial Organs for a polymethyl methacrylate (PMMA) porous fiber column that efficiently adsorbs pathogenic proteins in the blood.
- December 2023:
Toray has received approval from Ministry of Health, Labour and Welfare of Japan for an additional indication of TORAYMYXIN™, an extracorporeal hemoperfusion cartridge designed to remove endotoxin in blood, to treat acute exacerbation of idiopathic pulmonary fibrosis for which existing treatment is ineffective.

Changes in Core Operating Income

Billion yen



* Difference in selling price and price change of products less subject to price effect of petrochemical-based raw materials (net).

Results of Major Subsidiaries and Regions

Billion yen

| | Revenue | | | Core Operating Income | | |
|--------------------------------------|---|---|---------|---|---|---------|
| | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes | FY Mar/23 Nine Months (Apr.-Dec.) | FY Mar/24 Nine Months (Apr.-Dec.) | Changes |
| Toray International, Inc. | 504.3 | 445.7 | -58.6 | 10.9 | 10.4 | -0.5 |
| Toray Engineering Co., Ltd. | 80.3 | 88.1 | +7.9 | 3.3 | 3.1 | -0.3 |
| Toray Construction Co., Ltd. | 21.5 | 27.5 | +6.0 | ▲ 0.7 | 0.8 | +1.5 |
| Toray Advanced Film Co., Ltd. | 30.7 | 28.2 | -2.6 | 2.3 | 1.3 | -1.0 |

| | | | | | | | |
|---------------------------------------|------------------------------|-------|-------|-------|-------|-------|------|
| Subsidiaries in Southeast Asia | Fibers & Textiles | 129.8 | 117.6 | -12.2 | 1.9 | 1.3 | -0.6 |
| | Performance Chemicals | 81.2 | 69.7 | -11.5 | ▲ 2.3 | ▲ 0.1 | +2.2 |
| | Other | 0.6 | 0.7 | +0.1 | 0.1 | 0.0 | -0.0 |
| | Total | 211.6 | 188.0 | -23.6 | ▲ 0.3 | 1.2 | +1.6 |

| | | | | | | | |
|------------------------------|------------------------------|-------|-------|-------|------|------|------|
| Subsidiaries in China | Fibers & Textiles | 235.7 | 220.3 | -15.4 | 16.7 | 20.0 | +3.2 |
| | Performance Chemicals | 85.6 | 82.5 | -3.1 | 7.2 | 6.4 | -0.7 |
| | Other | 40.8 | 36.3 | -4.5 | 3.7 | 3.6 | -0.1 |
| | Total | 362.1 | 339.0 | -23.1 | 27.6 | 30.1 | +2.4 |

| | | | | | | | |
|--|------------------------------|-------|-------|-------|-------|-------|------|
| Subsidiaries in the Republic of Korea | Fibers & Textiles | 81.5 | 75.0 | -6.6 | ▲ 1.7 | ▲ 2.5 | -0.8 |
| | Performance Chemicals | 101.3 | 121.8 | +20.6 | ▲ 2.3 | 2.2 | +4.6 |
| | Other | 30.6 | 26.6 | -4.0 | 5.1 | 2.9 | -2.2 |
| | Total | 213.4 | 223.4 | +10.1 | 1.1 | 2.7 | +1.6 |

II

**Business Forecast for the Fiscal Year
Ending March 2024
(Consolidated Basis)**

Forecast Summary for the Fiscal Year Ending March 2024

Assumptions for the business forecast

The pace of recovery in the global economy is expected to remain slow due to factors such as the high interest rates in the U.S. and Europe dampening consumer spending and capital investment, and the slow recovery in the Chinese economy. The Japanese economy is also expected to show a gradual recovery. However, the prolonged real estate recession in China, unstable prices of primary commodities including food and energy, slowdown in consumption in the U.S. and Europe owing to the delay in start of interest rate cuts, and foreign exchange fluctuations caused by a change in the Bank of Japan's monetary policy are among downward risks for the economy in Japan and abroad.

Billion yen

| | | FY Mar/23 Actual | FY Mar/24 Forecast | Changes | | Nov. 8 Forecast | Difference from Nov. 8 Forecast |
|--|--------------|---------------------|-----------------------|--------------|-----------------|-----------------|------------------------------------|
| Revenue | 1st Half | 1,261.8 | 1,199.4 | -62.4 | (-4.9%) | 1,199.4 | — |
| | 2nd Half | 1,227.5 | 1,270.6 | +43.1 | (+3.5%) | 1,340.6 | -70.0 |
| | Total | 2,489.3 | 2,470.0 | -19.3 | (-0.8%) | 2,540.0 | -70.0 |
| Core Operating Income | 1st Half | 54.4 | 48.7 | -5.8 | (-10.6%) | 48.7 | — |
| | 2nd Half | 41.6 | 56.3 | +14.7 | (+35.4%) | 71.3 | -15.0 |
| | Total | 96.0 | 105.0 | +9.0 | (+9.3%) | 120.0 | -15.0 |
| Profit Attributable to Owners of Parent | 1st Half | 59.1 | 28.9 | -30.2 | (-51.2%) | 28.9 | — |
| | 2nd Half | 13.7 | 29.1 | +15.4 | (+112.5%) | 42.1 | -13.0 |
| | Total | 72.8 | 58.0 | -14.8 | (-20.4%) | 71.0 | -13.0 |

| | | | |
|--------------------------|--------------|------------------|------------------|
| Basic Earnings per Share | 1st Half | 36.92 Yen | 18.03 Yen |
| | 2nd Half | 8.56 Yen | 18.19 Yen |
| | Total | 45.49 Yen | 36.22 Yen |
| Dividend per Share | 1st Half | 9.00 Yen | 9.00 Yen |
| | 2nd Half | 9.00 Yen | 9.00 Yen |
| | Total | 18.00 Yen | 18.00 Yen |
| Dividend Payout Ratio | Total | 40 % | 50 % |

Assumed exchange rate
(from January)
140 yen / US\$

Forecast by Segment

Billion yen

| | | FY Mar/23 Actual | | | FY Mar/24 Forecast | | | Changes | | | Changes from the forecast announced on November 8 | | |
|-----------------------|----------------------------------|------------------|----------|---------|--------------------|----------------|----------------|----------|----------|-------|---|----------|-------|
| | | 1st Half | 2nd Half | Total | 1st Half | 2nd Half | Total | 1st Half | 2nd Half | Total | 1st Half | 2nd Half | Total |
| Revenue | Fibers & Textiles | 509.0 | 490.2 | 999.2 | 481.2 | 490.8 | 972.0 | -27.8 | +0.6 | -27.2 | — | -17.0 | -17.0 |
| | Performance Chemicals | 473.3 | 436.1 | 909.4 | 433.1 | 455.9 | 889.0 | -40.2 | +19.8 | -20.4 | — | -40.0 | -40.0 |
| | Carbon Fiber Composite Materials | 140.0 | 141.7 | 281.7 | 141.1 | 148.9 | 290.0 | +1.2 | +7.1 | +8.3 | — | -12.0 | -12.0 |
| | Environment & Engineering | 106.1 | 122.8 | 228.8 | 111.5 | 136.5 | 248.0 | +5.5 | +13.7 | +19.2 | — | — | — |
| | Life Science | 25.9 | 27.9 | 53.8 | 24.8 | 29.2 | 54.0 | -1.1 | +1.3 | +0.2 | — | -1.0 | -1.0 |
| | Others | 7.5 | 8.9 | 16.4 | 7.6 | 9.4 | 17.0 | +0.0 | +0.5 | +0.6 | — | — | — |
| | Consolidated | 1,261.8 | 1,227.5 | 2,489.3 | 1,199.4 | 1,270.6 | 2,470.0 | -62.4 | +43.1 | -19.3 | — | -70.0 | -70.0 |
| Core Operating Income | Fibers & Textiles | 23.9 | 27.4 | 51.2 | 27.2 | 28.3 | 55.5 | +3.3 | +0.9 | +4.3 | — | -4.0 | -4.0 |
| | Performance Chemicals | 25.1 | 5.3 | 30.4 | 14.5 | 22.0 | 36.5 | -10.6 | +16.7 | +6.1 | — | -4.5 | -4.5 |
| | Carbon Fiber Composite Materials | 5.6 | 10.3 | 15.9 | 7.6 | 6.9 | 14.5 | +2.0 | -3.4 | -1.4 | — | -6.0 | -6.0 |
| | Environment & Engineering | 8.3 | 11.5 | 19.7 | 10.2 | 14.3 | 24.5 | +1.9 | +2.9 | +4.8 | — | -0.5 | -0.5 |
| | Life Science | 0.3 | ▲ 0.2 | 0.2 | ▲ 0.5 | 0.5 | 0.0 | -0.9 | +0.7 | -0.2 | — | — | — |
| | Others | 1.0 | 1.5 | 2.5 | 0.8 | 1.7 | 2.5 | -0.2 | +0.2 | -0.0 | — | — | — |
| | Reconciliations | ▲ 9.8 | ▲ 14.1 | ▲ 23.9 | ▲ 11.1 | ▲ 17.4 | ▲ 28.5 | -1.3 | -3.2 | -4.6 | — | — | — |
| | Consolidated | 54.4 | 41.6 | 96.0 | 48.7 | 56.3 | 105.0 | -5.8 | +14.7 | +9.0 | — | -15.0 | -15.0 |

Comparison of Core Operating Income (Nov. 8 vs. New) by Segment

| Segments | Full-year Core Operating Income Forecast (Billion yen) November 8 → New () difference | Variance Factors |
|----------------------------------|--|--|
| Fibers & Textiles | 59.5 → 55.5 (-4.0) | <ul style="list-style-type: none"> • Expect decrease of sales in the apparel applications mainly in filaments and staple fibers, against the background of worsening market conditions in Europe, China and other areas. • In the Industrial applications, airbag textiles in the automobile applications are expected to remain strong, but expect slower sales of microfiber fabric with a suede texture in comparison to the previous forecast in some models that use the product, stemming from intensified competition of EV. |
| Performance Chemicals | 41.0 → 36.5 (-4.5) | <ul style="list-style-type: none"> • Expect improvement in profitability in the resins business by reduction of fixed costs, etc., although the sluggish demand in China is expected to continue. • In the film business, expect recovery in sales and factory operation rate due to the completion of customers' inventory adjustment. However, the pace of recovery is forecasted to be slow. As for our subsidiaries in the U.S. and Europe, worsening market conditions are expected to persist longer than expected. • In the electronic & information materials business, expect circuit materials of a South Korean subsidiary to be affected by the lower operation rate of panel manufactures. |
| Carbon Fiber Composite Materials | 20.5 → 14.5 (-6.0) | <ul style="list-style-type: none"> • Although there is no big change in the sales assumption of the aerospace applications, this segment is expected to be affected by the significant demand decline in other applications in Chinese and other Asian markets. In addition, expect to be affected by softer demand in the U.S. and European markets, which were strong during the first half . • In large tow, expect increased impact from the sluggish demand for wind turbine blades. |
| Environment & Engineering | 25.0 → 24.5 (-0.5) | <ul style="list-style-type: none"> • In the water treatment business, expect strong shipment of industrial reverse osmosis (RO) membranes for the U.S. and for seawater desalination plants in the Middle East, but expect lower sales of RO membranes for residential use in China. |
| Life Science | 0.0 → 0.0 (±0.0) | <ul style="list-style-type: none"> • Same as the previous forecast. |
| Other | 2.5 → 2.5 (±0.0) | |
| Reconciliations | ▲ 28.5 → ▲ 28.5 (±0.0) | |
| Total | 120.0 → 105.0 (-15.0) | |



Reference

Quarterly Revenue and Core Operating Income by Segment

Billion yen

| | | FY Mar/2023 | | | | | FY Mar/2024 | | |
|-----------------------|----------------------------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|
| | | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q |
| Revenue | Fibers & Textiles | 225.8 | 283.2 | 275.7 | 214.4 | 999.2 | 223.8 | 257.4 | 264.2 |
| | Performance Chemicals | 245.0 | 228.3 | 225.0 | 211.1 | 909.4 | 214.8 | 218.3 | 226.5 |
| | Carbon Fiber Composite Materials | 68.6 | 71.4 | 71.2 | 70.5 | 281.7 | 68.7 | 72.4 | 68.2 |
| | Environment & Engineering | 50.7 | 55.3 | 50.1 | 72.7 | 228.8 | 56.0 | 55.6 | 53.5 |
| | Life Science | 12.3 | 13.6 | 14.3 | 13.6 | 53.8 | 11.3 | 13.5 | 13.6 |
| | Others | 3.4 | 4.1 | 3.6 | 5.3 | 16.4 | 3.4 | 4.2 | 4.1 |
| | Total | 605.9 | 655.9 | 640.0 | 587.5 | 2,489.3 | 578.1 | 621.3 | 630.0 |
| Core Operating Income | Fibers & Textiles | 8.7 | 15.2 | 15.7 | 11.6 | 51.2 | 10.9 | 16.3 | 16.6 |
| | Performance Chemicals | 16.9 | 8.2 | 4.9 | 0.4 | 30.4 | 7.4 | 7.1 | 9.8 |
| | Carbon Fiber Composite Materials | 2.4 | 3.2 | 6.2 | 4.1 | 15.9 | 2.7 | 4.9 | 3.8 |
| | Environment & Engineering | 3.5 | 4.8 | 4.6 | 6.9 | 19.7 | 6.2 | 4.0 | 4.4 |
| | Life Science | 0.1 | 0.3 | 0.2 | ▲ 0.4 | 0.2 | ▲ 0.5 | ▲ 0.1 | ▲ 0.3 |
| | Others | 0.4 | 0.7 | 0.1 | 1.4 | 2.5 | 0.4 | 0.4 | 0.9 |
| | Reconciliations | ▲ 4.8 | ▲ 5.0 | ▲ 5.7 | ▲ 8.4 | ▲ 23.9 | ▲ 5.2 | ▲ 5.9 | ▲ 6.7 |
| Total | 27.1 | 27.3 | 26.0 | 15.6 | 96.0 | 21.9 | 26.8 | 28.5 | |

Quarterly Revenue of Performance Chemicals by Sub-segments

Billion yen

| | FY Mar/23 | | | | | FY Mar/24 | | |
|---|-----------|---------|---------|--------|---------|----------------|---------------|----------------|
| | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q |
| Resins, Chemicals | 108.7 | 103.6 | 107.7 | 99.5 | 419.5 | 93.8 | 95.8 | 102.9 |
| Films | 88.6 | 81.6 | 76.0 | 75.3 | 321.5 | 79.4 | 81.2 | 81.0 |
| Electronic & Information Materials | 15.8 | 13.1 | 13.4 | 12.9 | 55.2 | 15.6 | 15.7 | 17.0 |
| Trading, Other | 150.3 | 140.4 | 135.7 | 120.7 | 547.1 | 131.1 | 122.5 | 135.4 |
| Adjustments | ▲ 118.4 | ▲ 110.5 | ▲ 107.7 | ▲ 97.3 | ▲ 433.8 | ▲ 105.0 | ▲ 96.9 | ▲ 109.7 |
| Total | 245.0 | 228.3 | 225.0 | 211.1 | 909.4 | 214.8 | 218.3 | 226.5 |

Quarterly Revenue of Carbon Fiber Composite Materials by Sub-segments

Billion yen

| | FY Mar/23 | | | | | FY Mar/24 | | |
|-------------------|-----------|------|------|------|-------|-----------|------|------|
| | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q |
| Aerospace | 12.4 | 13.3 | 15.8 | 17.0 | 58.5 | 17.8 | 21.7 | 23.2 |
| Sports | 9.5 | 10.2 | 9.7 | 8.1 | 37.6 | 6.8 | 6.7 | 7.0 |
| Industrial | 46.8 | 47.8 | 45.7 | 45.4 | 185.7 | 44.2 | 44.0 | 37.9 |
| Total | 68.6 | 71.4 | 71.2 | 70.5 | 281.7 | 68.7 | 72.4 | 68.2 |

Quarterly Revenue of Major Subsidiaries and Regions

Billion yen

| | FY Mar/23 | | | | | FY Mar/24 | | |
|--------------------------------------|-----------|-------|-------|-------|-------|-----------|-------|-------|
| | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q |
| Toray International, Inc. | 150.6 | 175.9 | 177.8 | 138.5 | 642.7 | 136.4 | 148.6 | 160.6 |
| Toray Engineering Co., Ltd. | 23.8 | 29.3 | 27.2 | 34.9 | 115.1 | 27.1 | 30.4 | 30.7 |
| Toray Construction Co., Ltd. | 7.4 | 7.3 | 6.9 | 18.6 | 40.1 | 10.3 | 8.9 | 8.2 |
| Toray Advanced Film Co., Ltd. | 10.4 | 10.1 | 10.3 | 9.5 | 40.3 | 9.1 | 9.3 | 9.8 |

| | | | | | | | | | |
|--|------------------------------|-------|-------|-------|------|-------|-------|-------|-------|
| Subsidiaries in Southeast Asia | Fibers & Textiles | 40.4 | 46.4 | 43.0 | 37.6 | 167.4 | 35.7 | 40.9 | 41.0 |
| | Performance Chemicals | 29.1 | 25.3 | 26.8 | 24.6 | 105.8 | 22.4 | 22.8 | 24.5 |
| | Other | 0.2 | 0.2 | 0.2 | 0.2 | 0.8 | 0.3 | 0.2 | 0.2 |
| | Total | 69.6 | 71.9 | 70.1 | 62.3 | 273.9 | 58.4 | 64.0 | 65.7 |
| Subsidiaries in China | Fibers & Textiles | 64.1 | 91.3 | 80.3 | 47.9 | 283.5 | 64.5 | 77.3 | 78.5 |
| | Performance Chemicals | 30.2 | 26.7 | 28.7 | 26.1 | 111.7 | 25.3 | 27.3 | 29.8 |
| | Other | 13.4 | 13.9 | 13.5 | 10.7 | 51.5 | 11.8 | 12.3 | 12.2 |
| | Total | 107.7 | 132.0 | 122.5 | 84.7 | 446.8 | 101.6 | 116.9 | 120.5 |
| Subsidiaries in the Republic of Korea | Fibers & Textiles | 27.8 | 27.7 | 26.1 | 25.6 | 107.1 | 25.3 | 24.9 | 24.8 |
| | Performance Chemicals | 38.1 | 32.1 | 31.1 | 32.9 | 134.2 | 39.7 | 42.1 | 40.0 |
| | Other | 10.4 | 10.6 | 9.6 | 10.3 | 40.9 | 8.8 | 8.9 | 9.0 |
| | Total | 76.2 | 70.4 | 66.8 | 68.8 | 282.2 | 73.8 | 75.8 | 73.8 |

Quarterly Core Operating Income of Major Subsidiaries and Regions

Billion yen

| | FY Mar/23 | | | | | FY Mar/24 | | |
|-------------------------------|-----------|-------|-------|-----|-------|-----------|-------|-------|
| | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q |
| Toray International, Inc. | 2.9 | 3.9 | 4.0 | 2.5 | 13.4 | 2.8 | 4.0 | 3.5 |
| Toray Engineering Co., Ltd. | 0.8 | 1.3 | 1.3 | 1.8 | 5.1 | 0.8 | 1.1 | 1.2 |
| Toray Construction Co., Ltd. | ▲ 0.3 | ▲ 0.2 | ▲ 0.2 | 2.0 | 1.3 | 0.9 | ▲ 0.0 | ▲ 0.1 |
| Toray Advanced Film Co., Ltd. | 1.1 | 0.6 | 0.6 | 0.4 | 2.7 | 0.4 | 0.2 | 0.7 |

| | | | | | | | | | |
|---------------------------------------|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Subsidiaries in Southeast Asia | Fibers & Textiles | 0.4 | 1.4 | 0.2 | 0.1 | 2.1 | ▲ 0.5 | 0.6 | 1.2 |
| | Performance Chemicals | 0.7 | ▲ 2.1 | ▲ 1.0 | ▲ 0.5 | ▲ 2.8 | ▲ 0.5 | ▲ 0.3 | 0.7 |
| | Other | 0.0 | 0.0 | 0.0 | ▲ 0.0 | 0.0 | 0.0 | ▲ 0.0 | 0.0 |
| | Total | 1.1 | ▲ 0.7 | ▲ 0.8 | ▲ 0.4 | ▲ 0.7 | ▲ 0.9 | 0.3 | 1.9 |
| Subsidiaries in China | Fibers & Textiles | 4.4 | 6.6 | 5.7 | 3.3 | 20.1 | 4.6 | 7.5 | 7.9 |
| | Performance Chemicals | 2.4 | 2.5 | 2.2 | 1.7 | 8.8 | 1.9 | 2.0 | 2.6 |
| | Other | 1.5 | 1.2 | 1.0 | 0.6 | 4.3 | 1.5 | 1.1 | 1.0 |
| | Total | 8.4 | 10.3 | 9.0 | 5.6 | 33.2 | 7.9 | 10.6 | 11.6 |
| Subsidiaries in the Republic of Korea | Fibers & Textiles | ▲ 0.6 | ▲ 0.4 | ▲ 0.8 | ▲ 0.6 | ▲ 2.3 | ▲ 0.0 | ▲ 1.1 | ▲ 1.3 |
| | Performance Chemicals | 1.4 | ▲ 1.3 | ▲ 2.5 | ▲ 2.8 | ▲ 5.1 | 1.2 | 0.4 | 0.6 |
| | Other | 1.7 | 1.9 | 1.5 | 1.3 | 6.4 | 1.3 | 0.9 | 0.8 |
| | Total | 2.6 | 0.2 | ▲ 1.8 | ▲ 2.0 | ▲ 1.0 | 2.4 | 0.2 | 0.1 |

External Evaluations from the Perspectives of ESG

■ CDP

December 2022



Water Security: A+
Climate Change: A-

■ MSCI

May 2023



■ S&P Global Sustainability Yearbook Member

February 2024

Toray Industries, Inc.
Chemicals

**Sustainability
Yearbook Member**

S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 63/100
Score date: February 7, 2024
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modelling approaches.
Position and scores are industry specific and reflect exclusion screening criteria.
Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>



■ Selected as a component of major overseas indexes

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

December 2023

**Dow Jones Sustainability Index (DJSI),
Asia Pacific**



September 2023
MSCI ESG Leaders Indexes



FTSE4Good
June 2023
FTSE4Good Index Series

■ Selected for indices used by GPIF



**FTSE Blossom
Japan Index**



**FTSE Blossom
Japan Sector
Relative Index**



**2023 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX**

*1 The use by Toray Industries, Inc. of any MSCI ESG Research LLC or its Affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Toray Industries, Inc. by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks OF MSCI.

*2 The inclusion of Toray Industries, Inc. in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Toray Industries, Inc. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

Descriptions of predicted business results, projections, and business contained in this material are based on predictive forecasts of the future business environment made at the present time.

The material in this presentation is not a guarantee of the Company's future business performance.

'TORAY'

Innovation by Chemistry