



Innovation by Chemistry

# **Announcement of Business Results for the Fiscal Year Ended March 2021 and Business Forecast for the Fiscal Year Ending March 2022**

**May 13, 2021**

**Toray Industries, Inc.**

Toray Group has applied the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ended March 31, 2021. In addition, figures for the comparative year have been presented in accordance with IFRS.

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**I. Business Results for the  
Fiscal Year Ended March 2021**

# Summary of Consolidated Business Results for the Fiscal Year Ended March 2021

	FY Mar/20	FY Mar/21	Changes
			Billion yen
Revenue	2,091.2	<b>1,883.6</b>	-207.6 (-9.9%)
Core Operating Income	125.5	<b>90.3</b>	-35.3 (-28.1%)
(Core Operating Margin)	6.0%	<b>4.8%</b>	-1.2 points
Special Items	▲ 10.8	▲ <b>34.4</b>	-23.6
Financial Income and Costs	▲ 2.1	▲ <b>3.1</b>	-1.0
Share of Profit of Investments Accounted for using Equity Method	10.7	<b>12.8</b>	+2.1
Profit before Tax	123.3	<b>65.6</b>	-57.7 (-46.8%)
Profit Attributable to Owners of Parent	84.2	<b>45.8</b>	-38.4 (-45.6%)
Basic Earnings per Share	52.65 yen	<b>28.61 yen</b>	
Dividend per Share	16.00 yen	<b>9.00 yen</b>	
ROE	7.5%	<b>3.9%</b>	
ROA	4.5%	<b>3.2%</b>	
Exchange Rate	(FY Mar/20)	(FY Mar/21)	
<Yen / US\$>	Average	108.7	<b>106.1</b>
	End of the Term	108.8	<b>110.7</b>
<Yen / Euro>	Average	120.8	<b>123.7</b>
	End of the Term	119.6	<b>129.8</b>

# Special Items

Billion yen

	FY Mar/20	FY Mar/21	Changes
Gain on Sale or Disposal of Fixed Assets	3.0	<b>0.3</b>	-2.7
Loss on Sale or Disposal of Fixed Assets	▲ 6.2	▲ <b>5.8</b>	+0.4
Impairment Losses	▲ 7.6	▲ <b>28.9</b>	-21.3
Other	▲ 0.1	-	+0.1
<b>Special Items</b>	▲ 10.8	▲ <b>34.4</b>	-23.6

# Assets, Liabilities, Net Assets, Free Cash Flow

Billion yen

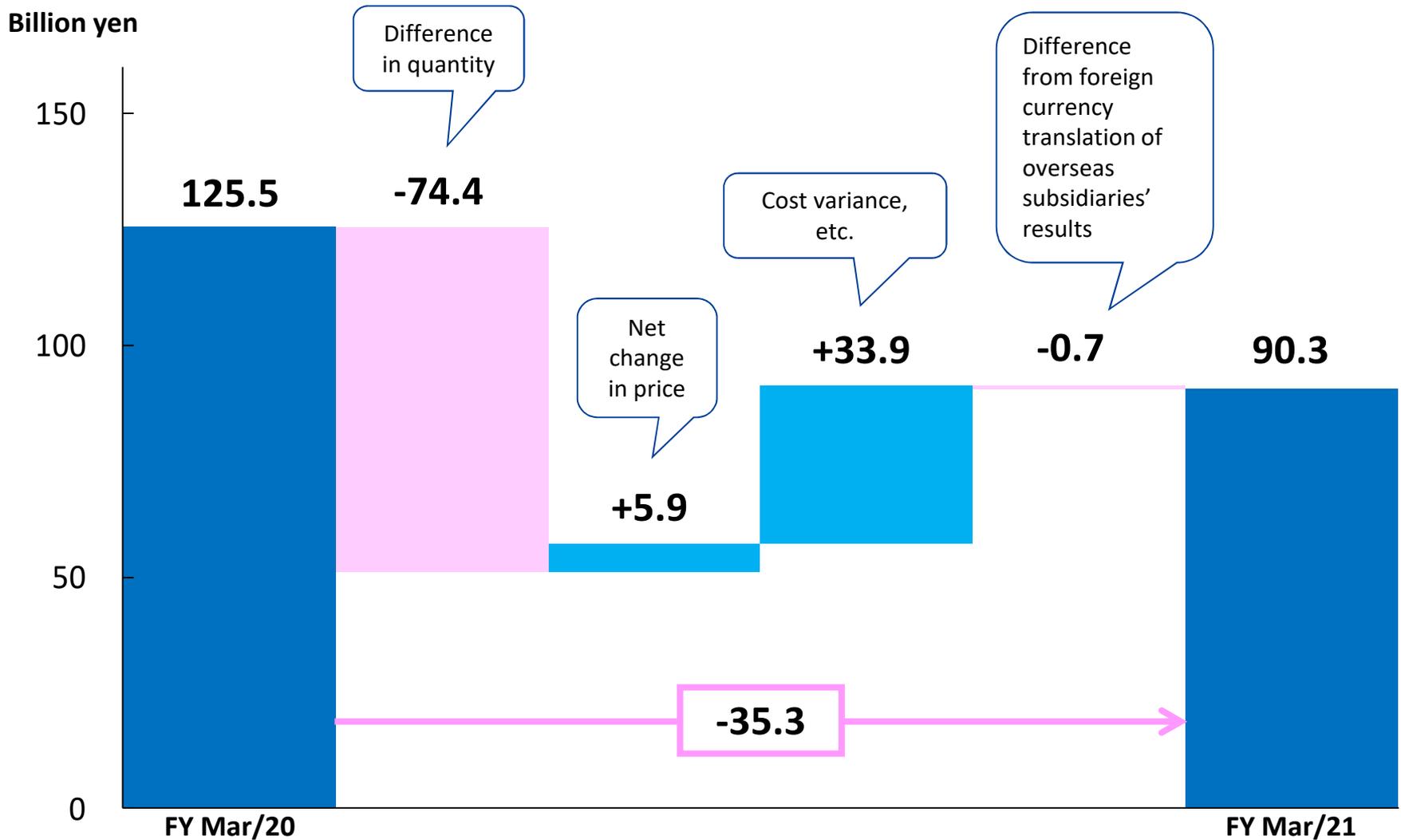
	End of Mar/20	End of Mar/21	Changes
<b>Total Assets</b>	2,733.5	<b>2,848.8</b>	+115.3
<b>Current Assets</b>	1,151.9	<b>1,181.0</b>	+29.1
<b>Property, Plant and Equipment</b>	969.2	<b>998.4</b>	+29.2
<b>Other Non-current Assets</b>	612.4	<b>669.4</b>	+57.0
<b>Total Liabilities</b>	1,532.7	<b>1,526.6</b>	-6.1
<b>Current Liabilities</b>	676.0	<b>681.4</b>	+5.4
<b>Non-current Liabilities</b>	856.7	<b>845.2</b>	-11.5
<b>Equity</b>	1,200.8	<b>1,322.3</b>	+121.4
<b>Owner's Equity *</b>	1,116.1	<b>1,237.9</b>	+121.8
<b>Equity Ratio *</b>	40.8%	<b>43.5%</b>	+2.6 points
<b>Interest-bearing Liabilities</b>	991.0	<b>973.9</b>	-17.1
<b>D/E Ratio</b>	0.89	<b>0.79</b>	-0.10

## <Free Cash Flow>

	FY Mar/20	FY Mar/21	Changes
<b>Cash Flows from Operating Activities</b>	238.3	<b>211.6</b>	-26.7
<b>Cash Flows from Investment Activities</b>	▲ 142.9	▲ <b>97.9</b>	+45.0
<b>Free Cash Flow</b>	95.4	<b>113.7</b>	+18.3

\* Owner's Equity = Equity attributable to owners of parent

# Core Operating Income Variance Factor Analysis



# Revenue and Core Operating Income by Segment

Billion yen

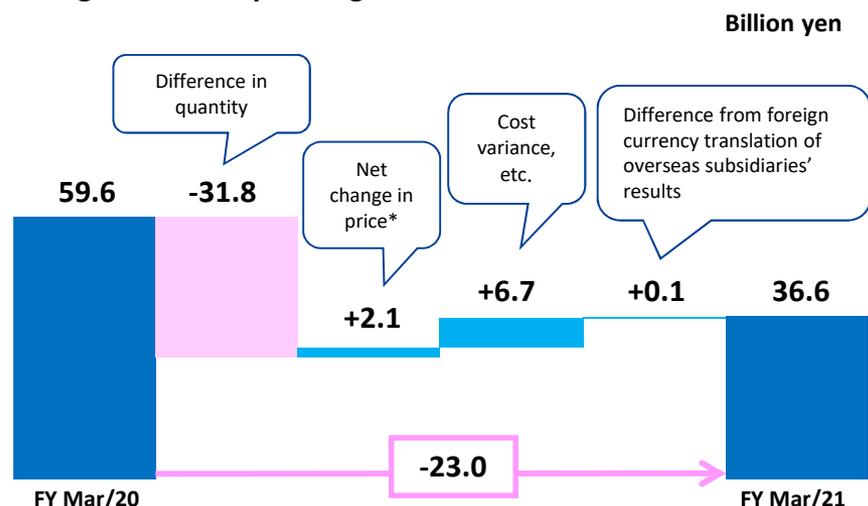
		FY Mar/20			FY Mar/21			Changes		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Revenue	Fibers & Textiles	422.3	408.7	831.0	<b>330.2</b>	<b>389.0</b>	<b>719.2</b>	-92.0 (-21.8%)	-19.7 (-4.8%)	-111.7 (-13.4%)
	Performance Chemicals	394.1	367.1	761.2	<b>327.3</b>	<b>393.1</b>	<b>720.4</b>	-66.8 (-16.9%)	+26.0 (+7.1%)	-40.8 (-5.4%)
	Carbon Fiber Composite Materials	119.9	117.0	236.9	<b>89.3</b>	<b>93.6</b>	<b>182.9</b>	-30.6 (-25.5%)	-23.4 (-20.0%)	-54.0 (-22.8%)
	Environment & Engineering	87.2	103.6	190.8	<b>78.2</b>	<b>115.3</b>	<b>193.5</b>	-9.0 (-10.3%)	+11.7 (+11.3%)	+2.7 (+1.4%)
	Life Science	26.6	26.5	53.0	<b>24.7</b>	<b>28.3</b>	<b>53.0</b>	-1.9 (-7.1%)	+1.8 (+7.0%)	-0.1 (-0.1%)
	Other	9.0	9.2	18.2	<b>6.3</b>	<b>8.2</b>	<b>14.6</b>	-2.7 (-29.9%)	-1.0 (-10.6%)	-3.7 (-20.1%)
	<b>Total</b>	<b>1,059.1</b>	<b>1,032.1</b>	<b>2,091.2</b>	<b>856.1</b>	<b>1,027.5</b>	<b>1,883.6</b>	-203.0 (-19.2%)	-4.6 (-0.4%)	-207.6 (-9.9%)
Core Operating Income	Fibers & Textiles	31.7	27.9	59.6	<b>15.8</b>	<b>20.8</b>	<b>36.6</b>	-15.8 (-50.0%)	-7.2 (-25.7%)	-23.0 (-38.6%)
	Performance Chemicals	33.2	21.3	54.5	<b>24.1</b>	<b>42.9</b>	<b>67.0</b>	-9.2 (-27.6%)	+21.6 (+101.4%)	+12.4 (+22.8%)
	Carbon Fiber Composite Materials	11.8	10.8	22.6	<b>▲ 0.3</b>	<b>▲ 7.2</b>	<b>▲ 7.5</b>	-12.1 (-)	-18.0 (-)	-30.1 (-)
	Environment & Engineering	3.8	6.8	10.6	<b>4.0</b>	<b>10.6</b>	<b>14.5</b>	+0.2 (+4.4%)	+3.8 (+56.2%)	+4.0 (+37.5%)
	Life Science	1.1	<b>▲ 0.6</b>	0.5	<b>0.8</b>	<b>0.5</b>	<b>1.3</b>	-0.2 (-22.9%)	+1.1 (-)	+0.8 (+170.9%)
	Other	1.4	2.2	3.6	<b>0.6</b>	<b>2.4</b>	<b>2.9</b>	-0.8 (-58.8%)	+0.2 (+7.4%)	-0.7 (-18.2%)
	Reconciliations	<b>▲ 11.5</b>	<b>▲ 14.3</b>	<b>▲ 25.8</b>	<b>▲ 10.9</b>	<b>▲ 13.7</b>	<b>▲ 24.6</b>	+0.6	+0.6	+1.3
	<b>Total</b>	<b>71.4</b>	<b>54.1</b>	<b>125.5</b>	<b>34.1</b>	<b>56.2</b>	<b>90.3</b>	-37.3 (-52.3%)	+2.1 (+3.8%)	-35.3 (-28.1%)

# Business Results by Segment (Fibers & Textiles)

Billion yen

		FY Mar/20	FY Mar/21	Changes	
Revenue	Toray	181.5	145.9	-35.6	(-19.6%)
	Japanese Subsidiaries	465.9	398.3	-67.5	(-14.5%)
	Overseas Subsidiaries	485.8	430.8	-55.0	(-11.3%)
	Adjustments	▲ 302.2	▲ 255.8	+46.4	
	Total	831.0	719.2	-111.7	(-13.4%)
Core Operating Income	Toray	12.1	3.8	-8.4	(-69.1%)
	Japanese Subsidiaries	12.6	9.7	-2.9	(-22.9%)
	Overseas Subsidiaries	34.2	22.3	-11.9	(-34.9%)
	Adjustments	0.6	0.8	+0.2	
	Total	59.6	36.6	-23.0	(-38.6%)

## Changes in Core Operating Income



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

## < Business Performance >

### ■ General

- Affected by the stagnation in production activities and consumption behavior caused by the COVID-19 in Japan and overseas.
- Demand for nonwoven fabrics increased for the applications of medical gowns and masks and there have been signs of recovery in the automotive applications from the third quarter, but these factors fell short of offsetting the decline in the overall sales volume in the segment.

### ■ Apparel Applications

- Demand declined due to lockdown and excessive channel inventory in various countries.

### ■ Industrial Applications

- General purpose materials remained weak and sales volume declined.

## <Topics>

- Jan. 2021: Added a new series to LIVMOA™. Launched LIVMOA™ 4000 for high-pressure water applications in January 2021, and the upgraded version of LIVMOA™ CL sterilized clothing for cleanrooms in February 2021.
- Mar. 2021: Confirmed the effectiveness of MAKSPEC™ V, developed in 2020 as an antiviral textile with excellent washing durability and wear comfort, in reducing concentrations of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

# Business Results by Segment (Performance Chemicals)

Billion yen

		FY Mar/20	FY Mar/21	Changes	
Revenue	Toray	224.4	213.4	-11.1	(-4.9%)
	Japanese Subsidiaries	411.9	378.8	-33.1	(-8.0%)
	Overseas Subsidiaries	469.8	477.2	+7.3	(+1.6%)
	Adjustments	▲ 344.9	▲ 348.9	-4.0	
	Total	761.2	720.4	-40.8	(-5.4%)
Core Operating Income	Toray	8.6	15.1	+6.6	(+76.7%)
	Japanese Subsidiaries	14.7	11.6	-3.1	(-21.1%)
	Overseas Subsidiaries	32.0	41.3	+9.3	(+29.0%)
	Adjustments	▲ 0.7	▲ 1.1	-0.3	
	Total	54.5	67.0	+12.4	(+22.8%)

## < Business Performance >

### ■ Resins Business

- Affected by the stagnation in production activities caused by the COVID-19, but demand has been strong since the third quarter with automobile manufacturers operating and the recovery of the Chinese economy.

### ■ Chemicals Business

- Saw a recovery trend in the basic chemicals market.

### ■ Films Business

- Battery separator films for lithium-ion secondary batteries were affected by lower market prices, while polyester films for optical applications and electronic components performed strongly.

### ■ Electronic & Information Materials Business

- Demand for OLED-related materials increased.

## <Topics>

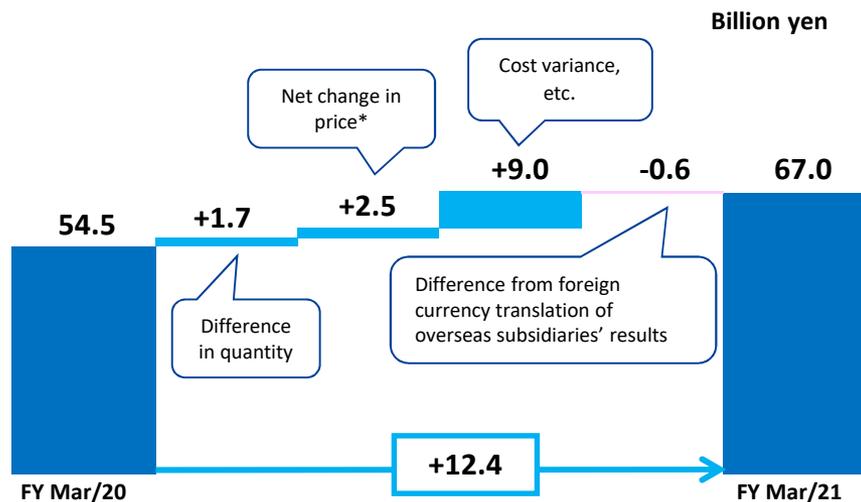
- Jan. 2021:

By achieving nano-level dispersion utilizing Nanoalloy® technology, developed a flexible and toughened new polymer that retains the outstanding thermal resistance, rigidity, and strength of polyamide 6 (PA6 resin) while increasing its fatigue resistance to 15-fold that of conventional polymers. Aims to start full-fledged sample work in fiscal year 2021.

- Mar. 2021:

Developed a new grade of TORAYFAN™, biaxially oriented polypropylene (OPP) film that has world-class thermal resistance and quality level which can be used in environments up to 120 °C. Will further promote the expansion of applications.

## Changes in Core Operating Income



\* 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/20		FY Mar/21		
	Revenue	Ratio	Revenue	Ratio	Changes
Resins, Chemicals	320.4	29%	<b>309.2</b>	<b>29%</b>	<b>-4%</b>
Films	310.9	28%	<b>303.1</b>	<b>28%</b>	<b>-3%</b>
Electronic & Information Materials	67.4	6%	<b>67.8</b>	<b>6%</b>	<b>+1%</b>
Trading, Other	407.4	37%	<b>389.3</b>	<b>36%</b>	<b>-4%</b>
Adjustments	▲ 344.9	-	▲ <b>348.9</b>	-	-
<b>Total</b>	<b>761.2</b>		<b>720.4</b>		<b>-5%</b>

# Business Results by Segment (Carbon Fiber Composite Materials)

Billion yen

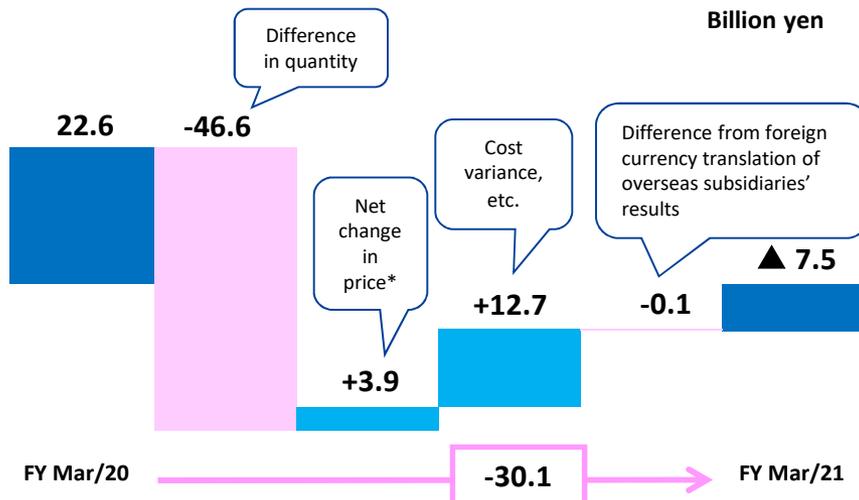
		FY Mar/20	FY Mar/21	Changes	
Revenue	Toray	105.6	64.0	-41.6	(-39.4%)
	Japanese Subsidiaries	73.8	45.1	-28.7	(-38.9%)
	Overseas Subsidiaries	206.9	152.7	-54.2	(-26.2%)
	Adjustments	▲ 149.4	▲ 78.9	+70.5	
	Total	236.9	182.9	-54.0	(-22.8%)
Core Operating Income	Toray	12.1	▲ 4.4	-16.6	(-)
	Japanese Subsidiaries	1.5	1.0	-0.5	(-32.2%)
	Overseas Subsidiaries	12.7	▲ 2.7	-15.3	(-)
	Adjustments	▲ 3.7	▲ 1.4	+2.3	
	Total	22.6	▲ 7.5	-30.1	(-)

## < Business Performance >

### ■ General

- The aerospace applications were affected by the decline in the production rate of commercial aircraft.
- Among the industrial applications, sales of wind turbine blades remained strong.

## Changes in Core Operating Income



\* 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

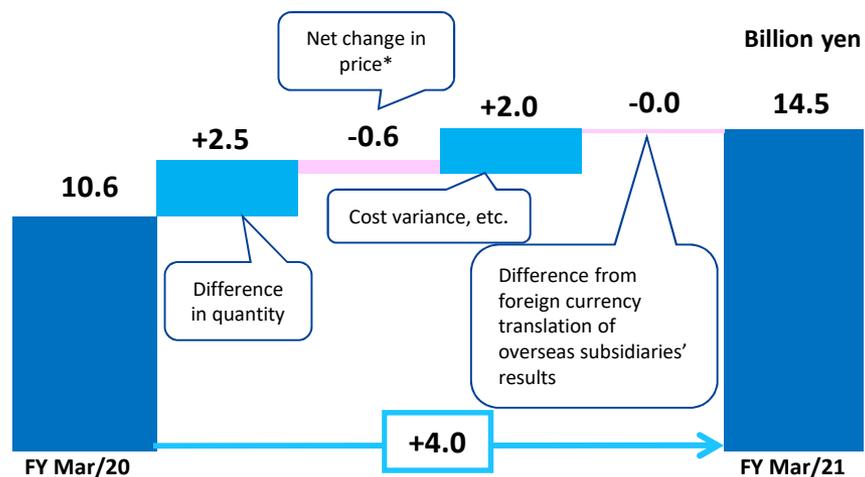
	FY Mar/20		FY Mar/21		
	Revenue	Ratio	Revenue	Ratio	Changes
<b>Aerospace</b>	107.8	45%	<b>60.0</b>	<b>33%</b>	<b>-44%</b>
<b>Sports</b>	17.0	8%	<b>15.5</b>	<b>8%</b>	<b>-9%</b>
<b>Industrial</b>	112.0	47%	<b>107.4</b>	<b>59%</b>	<b>-4%</b>
<b>Total</b>	236.9		<b>182.9</b>		<b>-23%</b>

# Business Results by Segment (Environment & Engineering)

Billion yen

		FY Mar/20	FY Mar/21	Changes	
Revenue	Toray	26.9	30.5	+3.6	(+13.4%)
	Japanese Subsidiaries	227.3	220.1	-7.2	(-3.2%)
	Overseas Subsidiaries	33.7	36.9	+3.1	(+9.2%)
	Adjustments	▲ 97.1	▲ 93.9	+3.2	
	Total	190.8	193.5	+2.7	(+1.4%)
Core Operating Income	Toray	▲ 0.8	1.6	+2.3	(-)
	Japanese Subsidiaries	6.7	8.0	+1.3	(+19.3%)
	Overseas Subsidiaries	4.7	5.5	+0.8	(+17.9%)
	Adjustments	▲ 0.1	▲ 0.6	-0.5	
	Total	10.6	14.5	+4.0	(+37.5%)

## 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 Performance >

### ■ Water Treatment

- Demand for reverse osmosis membranes and other products grew strongly on the whole, while shipment to some regions were affected by the COVID-19.

### ■ Environment & Amenity Business

- Demand for air filters was strong.

### ■ Japanese Subsidiaries

- An engineering subsidiary experienced decreases in the shipment of some electronics related equipment. A construction subsidiary posted profits from completion of a real estate project.

## < Topics >

- Feb. 2021: Developed a new polyvinylidene fluoride (PVDF) ultrafiltration (UF) membrane that combines high virus removal and high water permeability. Will accelerate application testing aiming for commercialization.

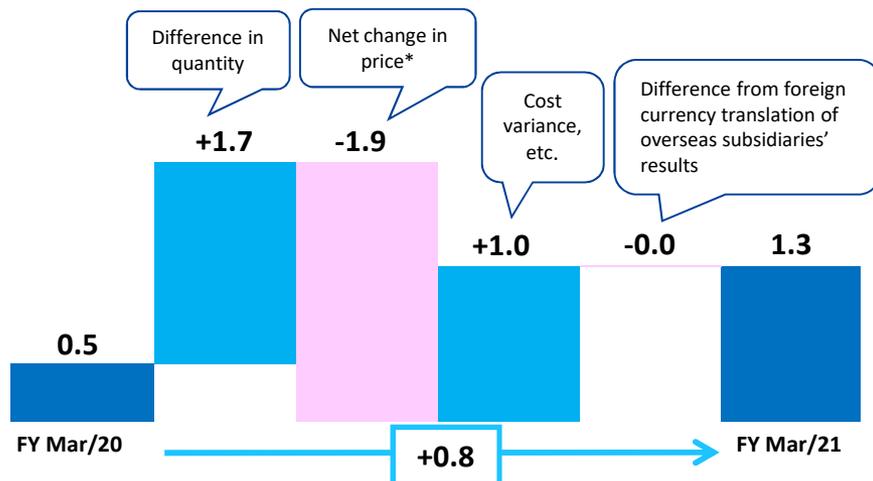
# Business Results by Segment (Life Science)

Billion yen

		FY Mar/20	FY Mar/21	Changes	
Revenue	Toray	24.5	23.3	-1.2	(-5.0%)
	Japanese Subsidiaries	41.2	43.4	+2.2	(+5.5%)
	Overseas Subsidiaries	13.7	13.7	-0.0	(-0.3%)
	Adjustments	▲ 26.4	▲ 27.4	-1.0	
	Total	53.0	53.0	-0.1	(-0.1%)
Core Operating Income	Toray	▲ 1.5	▲ 2.2	-0.7	(-)
	Japanese Subsidiaries	1.0	2.9	+1.9	(+194.7%)
	Overseas Subsidiaries	0.6	0.7	+0.1	(+14.2%)
	Adjustments	0.4	▲ 0.1	-0.5	
	Total	0.5	1.3	+0.8	(+170.9%)

## 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)

## < Business Performance >

### ■ Pharmaceutical Business

- Sales of pruritus treatment REMITCH®\* were influenced by the introduction of its generic versions as well as by a major NHI drug price revision in April 2020.

### ■ Medical Devices Business

- Shipment of dialyzers grew strongly in Japan and overseas, despite the impact of medical institutions postponing non-urgent operations due to the spread of the COVID-19.

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

## <Topics>

- Feb. 2021: Set up a dedicated production line at Shiga Plant for Breath-O Correct™, an Orthokeratology (corneal correction therapy) lens manufactured by Universal View Co., Ltd., and distributed by SEED Co., Ltd.
- Mar. 2021: Jointly developed a VR content to aid the procedure of HotBalloon™, a catheter ablation system for the treatment of paroxysmal atrial fibrillation, with Jolly Good Inc.
- Mar. 2021: Concluded an agreement to license RADIFIL™, a film coating technology for orally disintegrating tablets (tablets that can be taken without water) to Kishi Kasei Co., Ltd.

# Results of Major Subsidiaries and Regions

Billion yen

	Revenue			Core Operating Income		
	FY Mar/20	FY Mar/21	Changes	FY Mar/20	FY Mar/21	Changes
Toray International, Inc.	575.5	<b>499.5</b>	-76.0	12.9	<b>10.9</b>	-2.0
Toray Engineering Co., Ltd.	112.7	<b>103.7</b>	-9.0	3.6	<b>4.1</b>	+0.5
Toray Construction Co., Ltd.	43.4	<b>40.0</b>	-3.4	0.6	<b>1.1</b>	+0.4
Toray Advanced Film Co., Ltd.	37.5	<b>35.9</b>	-1.5	2.6	<b>4.1</b>	+1.5

Subsidiaries in Southeast Asia	Fibers & Textiles	135.7	<b>100.0</b>	-35.6	4.8	<b>▲ 2.3</b>	-7.0
	Performance Chemicals	85.4	<b>87.2</b>	+1.9	6.3	<b>18.3</b>	+12.0
	Other	0.2	<b>0.1</b>	-0.1	0.0	<b>0.0</b>	-0.0
	<b>Total</b>	<b>221.2</b>	<b>187.4</b>	<b>-33.8</b>	<b>11.0</b>	<b>16.0</b>	<b>+5.0</b>

Subsidiaries in China	Fibers & Textiles	205.1	<b>198.4</b>	-6.7	19.5	<b>16.8</b>	-2.7
	Performance Chemicals	77.7	<b>90.1</b>	+12.4	3.2	<b>5.0</b>	+1.8
	Other	34.8	<b>35.4</b>	+0.6	2.3	<b>3.1</b>	+0.8
	<b>Total</b>	<b>317.7</b>	<b>323.9</b>	<b>+6.3</b>	<b>25.0</b>	<b>24.9</b>	<b>-0.1</b>

Subsidiaries in the Republic of Korea	Fibers & Textiles	84.3	<b>79.6</b>	-4.7	3.0	<b>6.8</b>	+3.8
	Performance Chemicals	156.6	<b>147.4</b>	-9.2	23.3	<b>19.5</b>	-3.8
	Other	26.6	<b>22.7</b>	-3.9	3.4	<b>2.9</b>	-0.5
	<b>Total</b>	<b>267.5</b>	<b>249.7</b>	<b>-17.8</b>	<b>29.6</b>	<b>29.2</b>	<b>-0.4</b>

## **II. Business Forecast for the Fiscal Year Ending March 2022 (Consolidated Basis)**

# Forecast Summary for the Fiscal Year Ending March 2022

## Assumptions for the business forecast

The global economy is likely to continue its recovery with large-scale additional economic measures implemented by the U.S. and with the rollout of coronavirus vaccines. However, there remains strong uncertainties such as the restrictions on economic activities in response to resurgence in infections, and confirmation of variants from various parts of the world, and therefore the economy is expected to go through the normalization process at a slow pace.

		FY Mar/21 Actual	FY Mar/22 Forecast	Changes	
Revenue	1st Half	856.1	<b>1,005.0</b>	+148.9	(+17.4%)
	2nd Half	1,027.5	<b>1,115.0</b>	+87.5	(+8.5%)
	<b>Total</b>	<b>1,883.6</b>	<b>2,120.0</b>	<b>+236.4</b>	<b>(+12.6%)</b>
Core Operating Income	1st Half	34.1	<b>50.0</b>	+15.9	(+46.6%)
	2nd Half	56.2	<b>70.0</b>	+13.8	(+24.6%)
	<b>Total</b>	<b>90.3</b>	<b>120.0</b>	<b>+29.7</b>	<b>(+32.9%)</b>
Profit Attributable to Owners of Parent	1st Half	4.5	<b>35.0</b>	+30.5	(+683.7%)
	2nd Half	41.3	<b>45.0</b>	+3.7	(+8.9%)
	<b>Total</b>	<b>45.8</b>	<b>80.0</b>	<b>+34.2</b>	<b>(+74.7%)</b>

Billion yen

Basic Earnings per Share	1st Half	2.79 yen	<b>21.87 yen</b>	Assumed exchange rate : <b>105 yen / US\$</b>
	2nd Half	25.82 yen	<b>28.12 yen</b>	
	<b>Total</b>	<b>28.61 yen</b>	<b>49.99 yen</b>	
Dividend per Share	1st Half	4.50 yen	<b>8.00 yen</b>	
	2nd Half	4.50 yen	<b>8.00 yen</b>	
	<b>Total</b>	<b>9.00 yen</b>	<b>16.00 yen</b>	
Dividend Payout Ratio	<b>Total</b>	<b>31%</b>	<b>32%</b>	

# Forecast by Segment

Billion yen

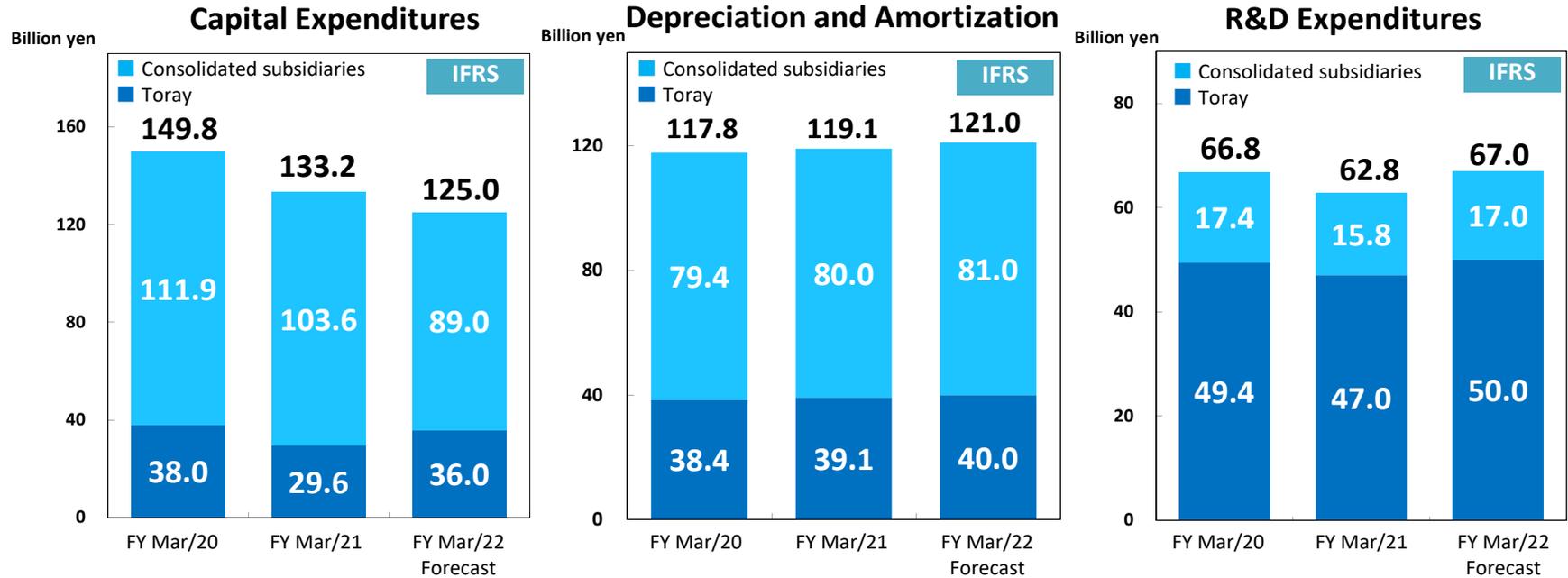
		FY Mar/21 Actual			FY Mar/22 Forecast			Changes		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Revenue	Fibers & Textiles	330.2	389.0	719.2	<b>385.0</b>	<b>430.0</b>	<b>815.0</b>	+54.8	+41.0	+95.8
	Performance Chemicals	327.3	393.1	720.4	<b>395.0</b>	<b>420.0</b>	<b>815.0</b>	+67.7	+26.9	+94.6
	Carbon Fiber Composite Materials	89.3	93.6	182.9	<b>100.0</b>	<b>113.0</b>	<b>213.0</b>	+10.7	+19.4	+30.1
	Environment & Engineering	78.2	115.3	193.5	<b>93.0</b>	<b>115.0</b>	<b>208.0</b>	+14.8	-0.3	+14.5
	Life Science	24.7	28.3	53.0	<b>25.0</b>	<b>29.0</b>	<b>54.0</b>	+0.3	+0.7	+1.0
	Other	6.3	8.2	14.6	<b>7.0</b>	<b>8.0</b>	<b>15.0</b>	+0.7	-0.2	+0.4
	Consolidated	856.1	1,027.5	1,883.6	<b>1,005.0</b>	<b>1,115.0</b>	<b>2,120.0</b>	+148.9	+87.5	+236.4
Core Operating Income	Fibers & Textiles	15.8	20.8	36.6	<b>26.0</b>	<b>29.0</b>	<b>55.0</b>	+10.2	+8.2	+18.4
	Performance Chemicals	24.1	42.9	67.0	<b>36.0</b>	<b>40.0</b>	<b>76.0</b>	+11.9	-2.9	+9.0
	Carbon Fiber Composite Materials	▲ 0.3	▲ 7.2	▲ 7.5	▲ 5.0	2.0	▲ 3.0	-4.7	+9.2	+4.5
	Environment & Engineering	4.0	10.6	14.5	<b>4.0</b>	<b>12.0</b>	<b>16.0</b>	+0.0	+1.4	+1.5
	Life Science	0.8	0.5	1.3	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	-0.8	-0.5	-1.3
	Other	0.6	2.4	2.9	<b>0.5</b>	<b>1.5</b>	<b>2.0</b>	-0.1	-0.9	-0.9
	Reconciliations	▲ 10.9	▲ 13.7	▲ 24.6	▲ 11.5	▲ 14.5	▲ 26.0	-0.6	-0.8	-1.4
	Consolidated	34.1	56.2	90.3	<b>50.0</b>	<b>70.0</b>	<b>120.0</b>	+15.9	+13.8	+29.7

# Comparison of Core Operating Income (FY Mar/21 vs. FY Mar/22) by Segment

(Core Operating Income : Billion yen)

Segment	FY Mar/21	FY Mar/22	Changes	Variance Factors
Fibers & Textiles	36.6	55.0	+ 18.4	<ul style="list-style-type: none"> <li>In the apparel applications, will work to expand the business that integrates fibers to textiles to final products and promote sales expansion in business fields where demand is strong, including sportswear, casual wear and environmentally friendly materials.</li> <li>In the industrial applications, demand is expected to recover mainly for automotive applications such as airbag fabrics and non-woven material created using ultra-fine fibers.</li> </ul>
Performance Chemicals	67.0	76.0	+ 9.0	<ul style="list-style-type: none"> <li>In the resins business, sales volume of both ABS resins and engineering plastics is expected to increase.</li> <li>In the films business, will promote sales expansion of high value-added products such as MLCC release films, battery separator films, and high-functional packaging films.</li> <li>In the electronic &amp; information materials business, demand is expected to increase for OLED-related materials and electronic circuit materials.</li> </ul>
Carbon Fiber Composite Materials	▲ 7.5	▲ 3.0	+ 4.5	<ul style="list-style-type: none"> <li>In the aircraft applications, the impact of the decline in the production rate by major customers due to the COVID-19, is expected to continue.</li> <li>In the sports applications, outdoor leisure applications are expected to be strong.</li> <li>In the industrial applications, demand for wind turbine blades and pressure vessels is expected to increase.</li> </ul>
Environment & Engineering	14.5	16.0	+ 1.5	<ul style="list-style-type: none"> <li>In the water treatment business, expect shipments of RO membranes for large-scale projects in the Middle East, and the start of operations of a new water treatment membrane company in China.</li> <li>The water treatment engineering subsidiary is expected to expand sales to the public sector.</li> </ul>
Life Science	1.3	0.0	- 1.3	<ul style="list-style-type: none"> <li>Pharmaceutical business is expected to be affected by the NHI drug price revision and generic versions of the existing drugs.</li> <li>Operating expenses are expected to increase due to recovery in sales activities and increased product development costs.</li> </ul>
Other	2.9	2.0	- 0.9	
Reconciliations	▲ 24.6	▲ 26.0	- 1.4	
<b>Total</b>	<b>90.3</b>	<b>120.0</b>	<b>+ 29.7</b>	

# Trends in Capital Expenditures, Depreciation and Amortization, and R&D Expenditures



## Major Capital Expenditure Projects

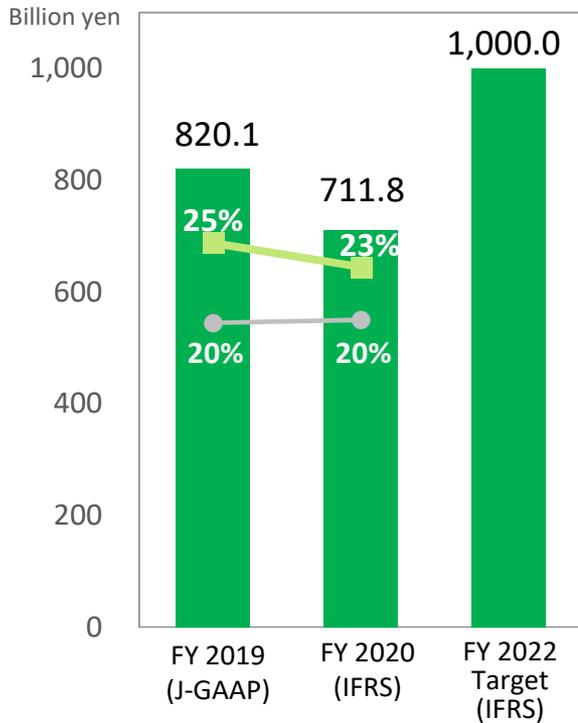
FY Mar/21	Toray Industries Hungary Kft.	: Battery separator film SETELA™ production facilities
	Zoltek Zrt.	: Carbon fiber production facilities
	Toray Plastics (America), Inc.	: Polypropylene film production facilities
FY Mar/22	Toray Membrane (Foshan) Co., Ltd.	: RO membrane production facilities
	Toray Industries, Inc.	: Polypropylene film production facilities
	Alcantara S.p.A.	: Alcantara® production facilities

### **III. Progress of the Medium-term Management Program “Project AP-G 2022”**

# Green Innovation (GR) Businesses

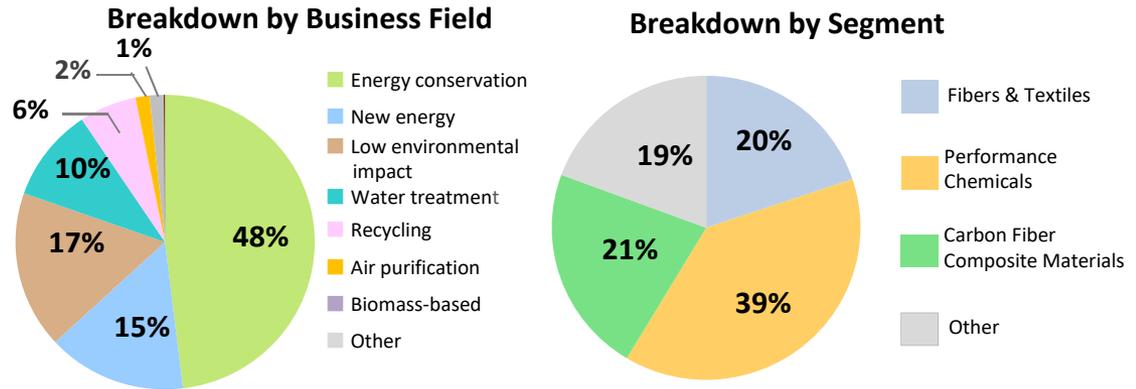
## Net Sales / Revenue from Green Innovation Businesses

Revenue decreased from the previous fiscal year due to sluggish sales in the energy conservation business field including carbon fibers for aircraft, despite growth in the recycling and the new energy business fields.



■ Revenue from Green Innovation Businesses (Billion yen)  
 ■ Gross profit margin of Green Innovation Businesses (%)  
 ● Group average gross profit margin (%)

## FY 2020 Revenue 711.8 Billion yen Breakdown by Business field and Segment



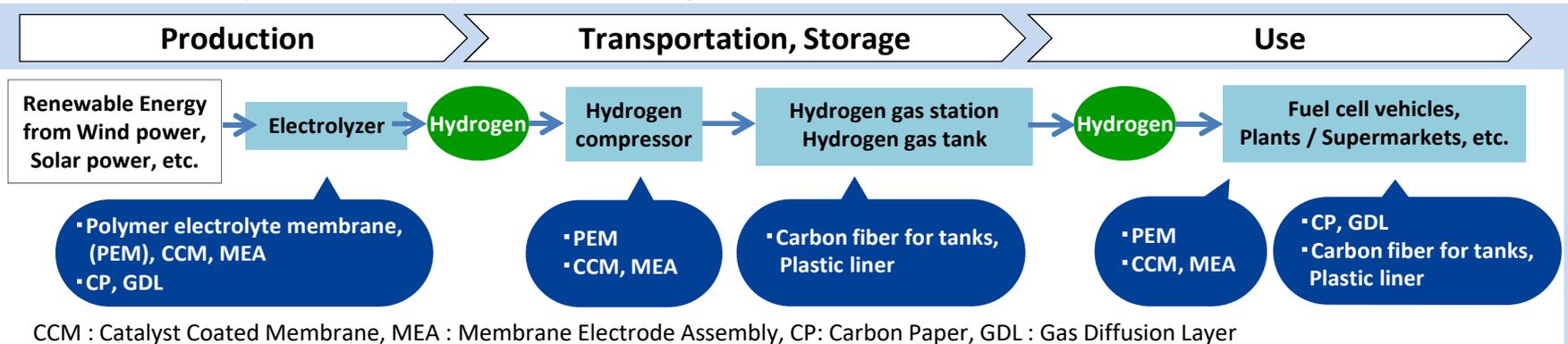
### Major initiatives in FY 2020

- Decided to increase production capacity of TORAYFAN™, biaxially oriented polypropylene film, at Toray Tsuchiura Plant (May, 2020)
- Developed and began mass production of the “advanced-grade TORAYFAN™,” a highly thermal- and voltage-resistant biaxially oriented polypropylene film for use in capacitors for electrified vehicles (xEV). (Sep. 2020)
- Concluded an agreement with Lilium GmbH of Germany, to supply carbon fiber composite materials for the UAM (Urban Air Mobility) aircraft. (Jul. 2020)
- Successfully demonstrated first practical test use of the world’s first 100% VOC-free waterless EB offset printing technology with the SP Group of Spain. (Sep. 2020)
- Toray’s advanced high surface-area ultrafiltration (UF) membrane module was selected for use in a large-scale wastewater treatment facility located in Wuxi, China, and started full-scale operations. (Jun. 2020)
- Received orders for supply of reverse osmosis membranes for the seawater desalination plants in the Kingdom of Bahrain and the United Arab Emirates, with a combined water production capacity of 910,000 m<sup>3</sup>/day. (Nov. 2020)
- Developed the Ecouse™ series of environmentally friendly polyester films that contribute to the realization of a sustainable society. (Dec. 2020)

# Initiatives for the Realization of a “Hydrogen Society”

Develop a wide range of key materials for all stages of hydrogen-related production, transportation and storage, and use.

Toray products, developing products



CCM : Catalyst Coated Membrane, MEA : Membrane Electrode Assembly, CP: Carbon Paper, GDL : Gas Diffusion Layer

## <Example 1> Joint Development of Power to Gas System (with Yamanashi prefecture, Tokyo Electric Power Company Holdings Incorporated)

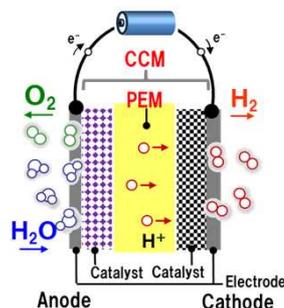
- Started operation of Japan's first 2.3MW class PEM type electrolyzer/P2G system developed under the NEDO\* project. (Apr. 2021)
- Plans to start delivering green hydrogen to plants and supermarkets in Yamanashi prefecture before other areas in Japan. (Jun. 2021)

## <Example 2> Greenerity GmbH, subsidiary in Germany (No.1 supplier of PEM type electrolysis CCM)

- Second plant (large-scale mass production plant for MEA and CCM) is under construction. (expected to start operation in 2022)



Technology development of P2G system (Electric power storage technology research site at Komekurayama, Yamanashi prefecture)



Principle of PEM type electrolyzer



2.3MW class PEM type electrolyzer demonstration machine (in collaboration with Hitachi Zosen Corporation)

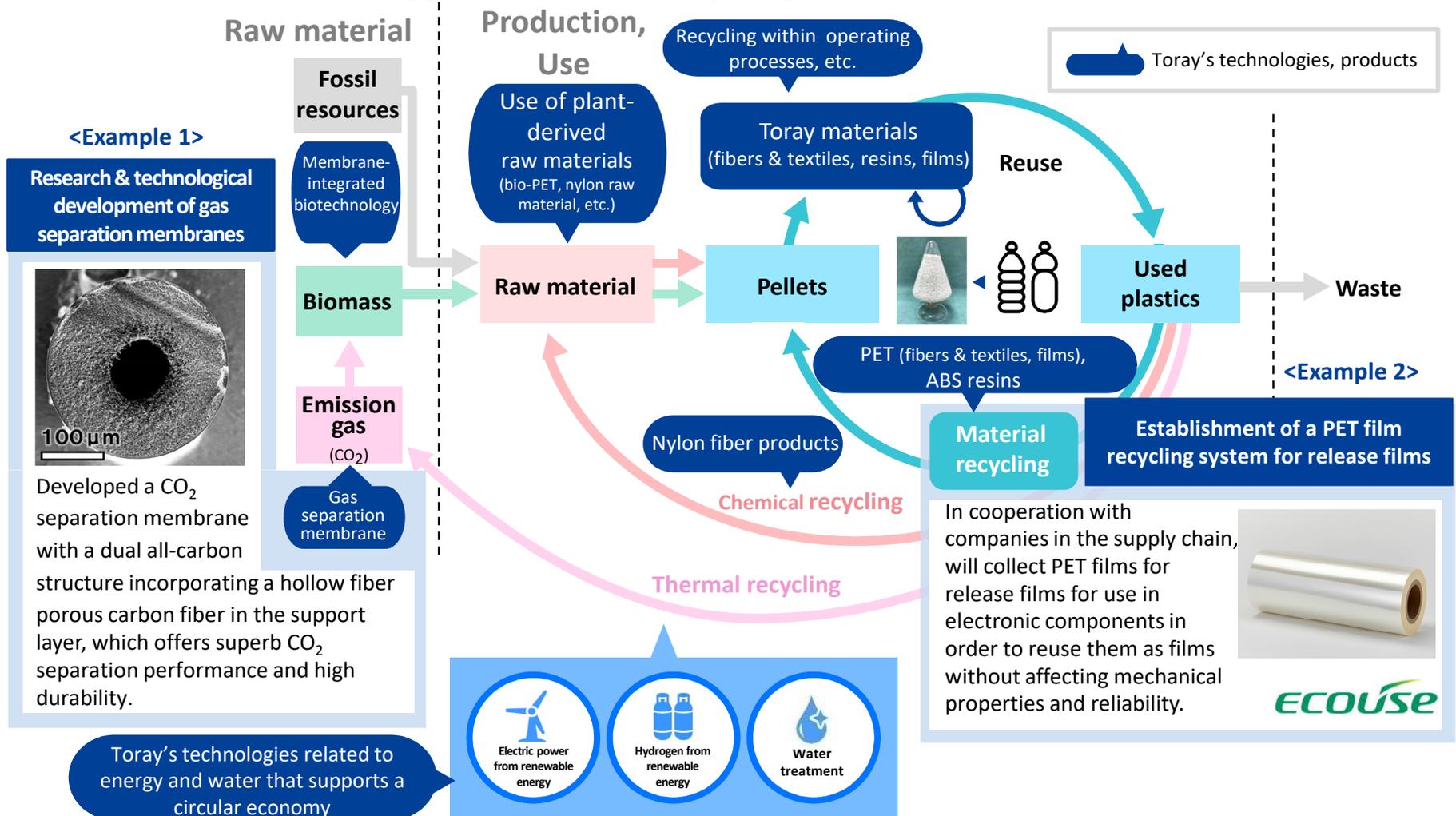


Image of the Greenerity second plant (mass production plant for MEA and CCM) (Bavaria, Germany)

\* NEDO : New Energy and Industrial Technology Development Organization

# Initiatives for a Circular Economy

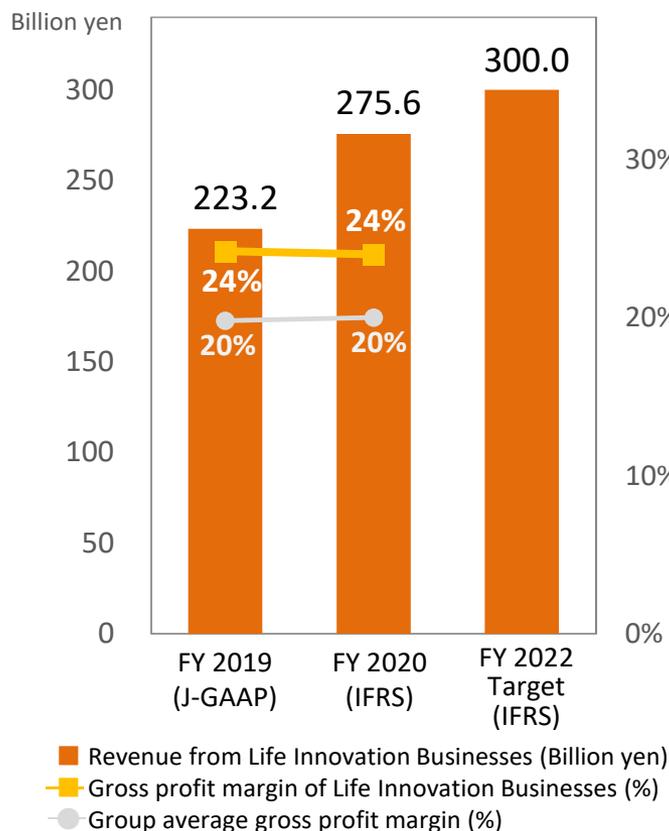
Contribute to initiatives including biomass plastics, recycling, promoting of renewable energy and the use of hydrogen, and water reuse



# Life Innovation (LI) Businesses

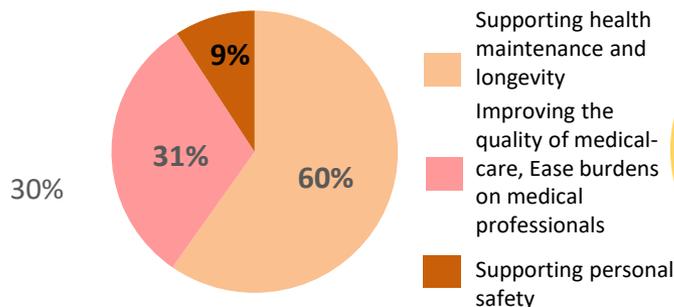
## Net Sales / Revenue from Life Innovation Businesses

With the addition of the “personal safety” business field, revenue increased due to rise in shipments of nonwoven fabrics for applications including medical gowns and masks.



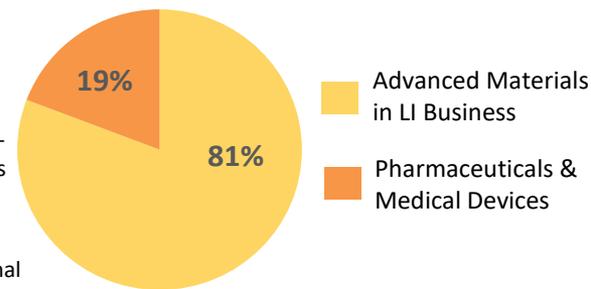
## FY 2020 Revenue 275.6 Billion yen Breakdown by Business field, Business

### Breakdown by Business Field



### Breakdown by Business

(Advanced Materials in LI Business / Pharmaceuticals & Medical Devices)



### Major initiatives in FY 2020

- Received an approval from Canada for the interim order of TORAYMYXIN® to treat patients with COVID-19. (Apr. 2020) In the U.S.A., the licensee company has obtained IDE (Investigational Device Exemption) approval from the FDA and is currently conducting clinical trials with additional patients with the COVID-19.
- Expanded the supply system of nonwoven fabrics for masks in Japan and overseas to five times the level before the COVID-19 pandemic (100 million sheets per month). Decided to deliver medical gowns manufactured in Japan based on the request from the Japanese government. (May 2020)
- Developed MAKSPEC™ V, an antiviral textile with excellent washing durability and wearing comfort, and confirmed the effectiveness in reducing concentrations of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). (Mar. 2021)
- TRK-950 is expected to be effective in many types of cancer and could become a new concept antibody drug. Since the start of Phase I clinical trials in the U.S.A. and France in March 2017, Toray has administered the drug to more than 100 patients and has received reports of no safety issues to date\*. Will further confirm the safety and efficacy of the drug and aim to submit for approval at an early stage.

\* Not the final result.

# Strengthening the Management Foundation

## Strengthening financial structure by improving cash efficiency

### Free cash flow

FY 2020 Actual	FY 2022 Target
113.7 billion yen	120 billion yen or more *1 (total of 3 years)

### Working capitals

\*1: exclude M&A

- Introduced the Cash Conversion Cycle (CCC) as an efficiency indicator for each business, and conducted the "3C-i Activity" to shorten the CCC. Promoted the reduction of number of days in stock.

	End of Mar/2020	End of Mar/2021	Changes
<b>Inventories</b> (Billion yen)	405.3	369.1	- 36.2
<b>Days in stock</b> *2	90.0	81.6	- 8.4

\*2: Calculation based on cost of sales for the second half of the fiscal year (October-March)

### D/E ratio

FY 2020 Actual	FY 2022 Target
0.79	around 0.8 (guideline)

## Business structure reform of low-growth and low-profitability businesses

### Structural reform of the polyester/cotton blended textile (T/C) business

- In response to the irreversible decline in demand for shirts due to the COVID-19 pandemic, decided to close the spinning mills of Penfabric Sdn. Berhad in June 2020. In light of this situation, Toray will further strengthen the group's collaboration in areas such as the supply of greige\*3 and focus on expanding into work wear, casual wear, and anti-epidemic applications.

\*3: Textiles before dyeing and processing

### Business structure reform of domestic textile subsidiaries

- The size of the domestic market is gradually declining. Toray Group is currently working to reform its business structure by withdrawing from low-profitability businesses and focusing on highly profitable businesses.

### Initiatives to improve profitability at a U.S. subsidiary in the carbon fiber composite materials business

- Reduced workforce and posted impairment losses at Toray Composite Materials America, Inc. Large-scale operational adjustment to optimize inventory has been completed in FY 2020. Will expand sales in fields where demand is growing.

# Financial Targets in FY 2022

Billion yen

	FY 2020 Actual	FY 2021 Forecast	FY 2022 Target
<b>Revenue</b>	1,883.6	<b>2,120.0</b>	<b>2,600.0</b>
<b>Core Operating Income</b>	90.3	<b>120.0</b>	<b>180.0</b>
<b>Core Operating Margin</b>	4.8%	<b>5.7%</b>	<b>7%</b>
<b>ROE</b>	3.9%	<b>about 6%</b>	<b>about 9%</b>
<b>ROA</b>	3.2%	<b>about 4%</b>	<b>about 7%</b>
<b>Free Cash Flow</b>	113.7	<b>Positive</b>	<b>120 billion yen or more (total of 3 years)</b>
<b>D/E Ratio</b>	0.79	<b>Management in accordance with the guideline (around 0.8)</b>	<b>around 0.8 (guideline)</b>
<b>Dividend Payout Ratio</b>	31%	<b>32%</b>	<b>about 30%</b>

Exchange rate for “AP-G 2022” target : 105 yen / US\$

ROA = Core Operating Income / Total Assets

ROE = Net profit Attributable to Owners of Parent / Owners’ Equity

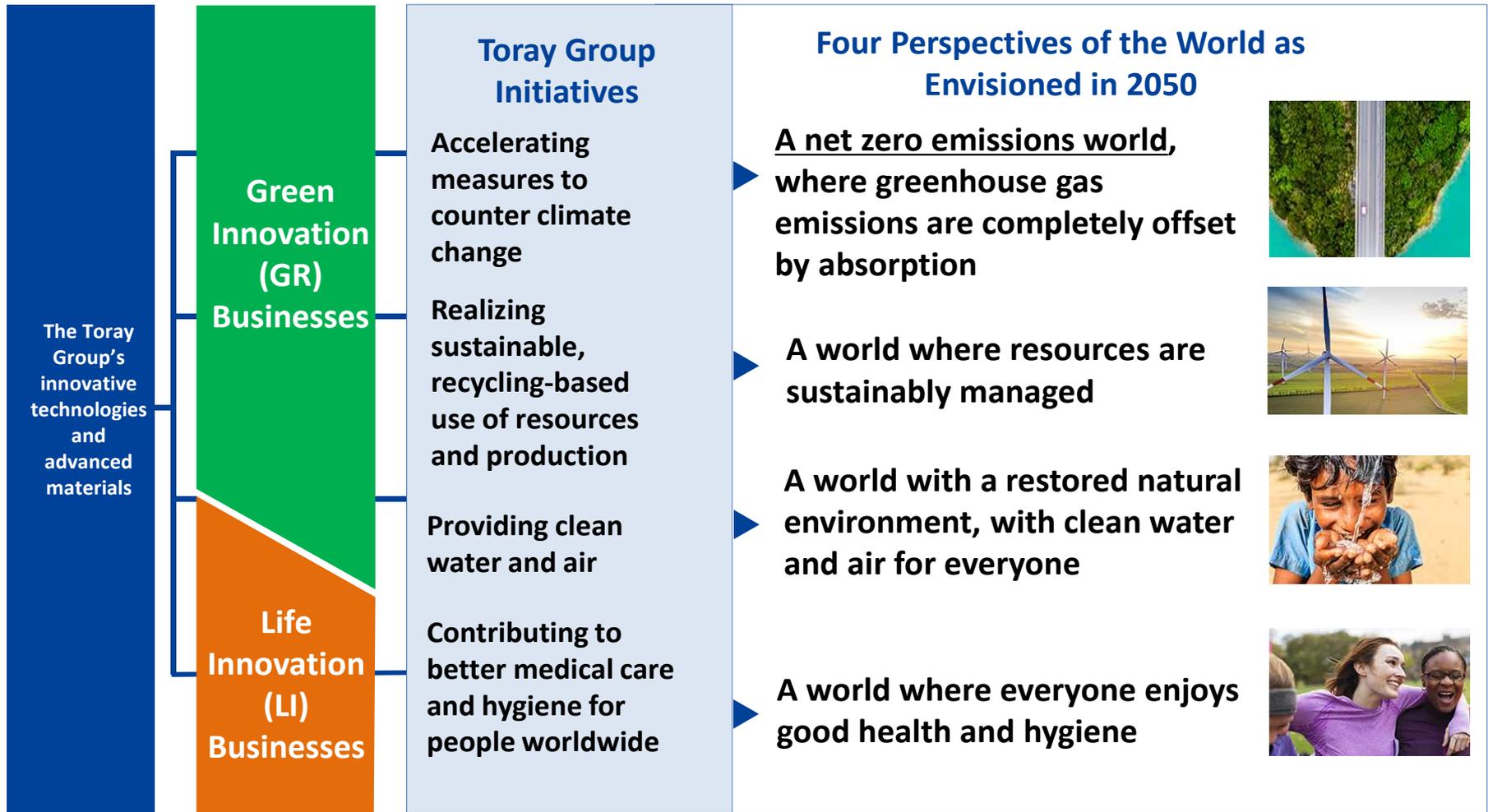
# Sustainability Targets

	FY 2013 Actual (baseline year) (J-GAAP)	FY 2020 Actual (compared with FY 2013) (IFRS)	FY 2022 Target (compared with FY 2013) (IFRS)	FY 2030 Target (compared with FY 2013) (IFRS)
GR Net sales / Revenue	463.1 billion yen	711.8 billion yen (1.5 fold)	1,000.0 billion yen (2.2 fold)	4 fold
LI Net sales / Revenue	119.6 billion yen	275.6 billion yen (2.3 fold)	300.0 billion yen (2.5 fold)	6 fold
Avoided CO <sub>2</sub> emissions	38.4 million tons	6.4 fold	5.3 fold	8 fold
Contributed Annual water filtration throughput	27.23 million tons /day	2.0 fold	2.4 fold	3 fold
Greenhouse gas emissions per unit of sales in production activities	3.37 thousand tons /billion yen	2.90 thousand tons /billion yen (14% reduction)	20% reduction	30% reduction
Water consumption per unit of sales in production activities	152 thousand tons /billion yen	125.2 thousand tons/billion yen (18% reduction)	25% reduction	30% reduction

## **IV. Sustainability Initiatives**

# Toray Group Sustainability Vision \*

## The World as Envisioned in 2050 and Toray Group Initiatives



\* Hereinafter referred to as the "Sustainability Vision."

# Initiatives for Carbon Neutrality by 2050

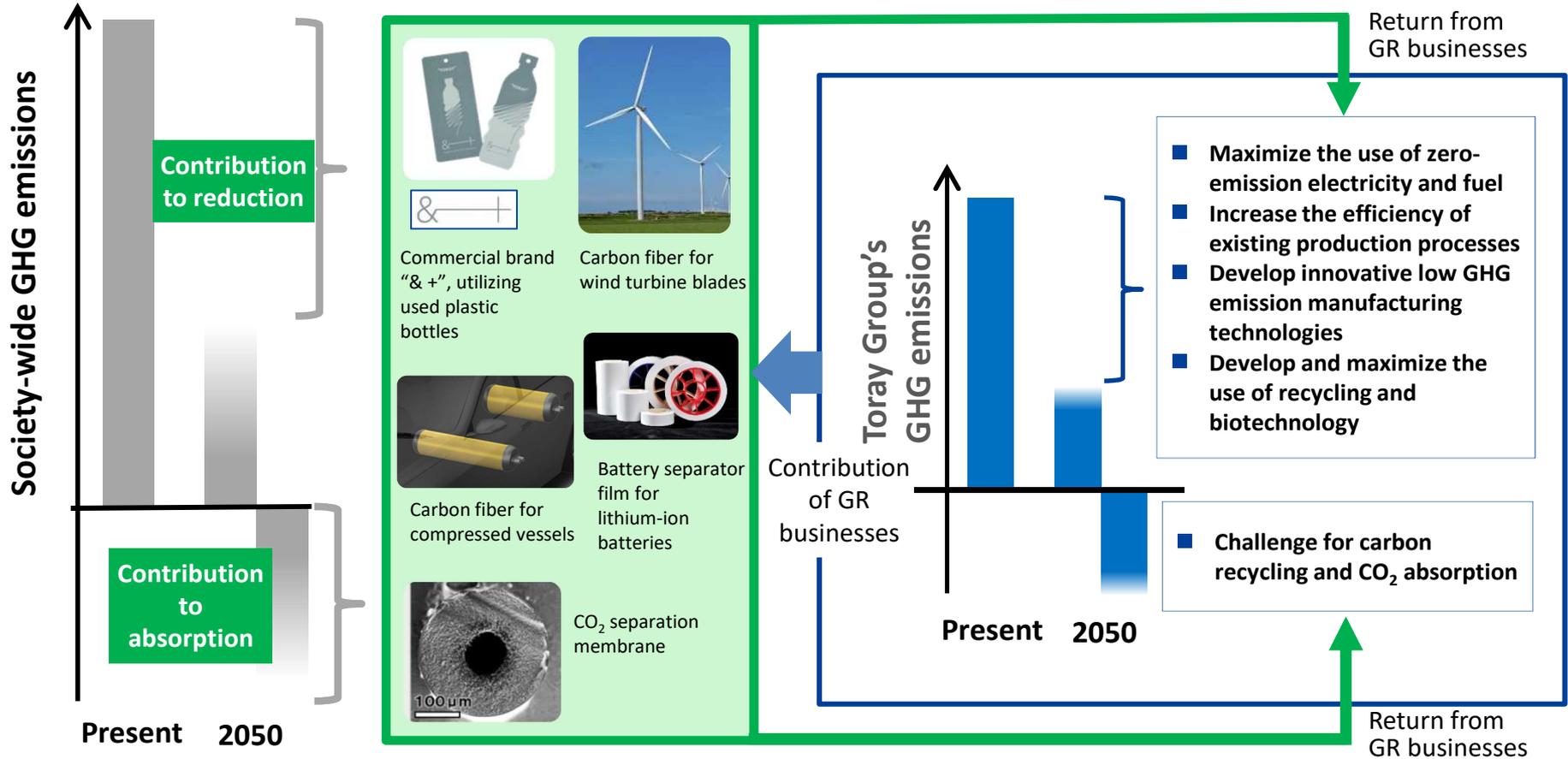
- Challenge to develop, promote, and implement technologies for the transition to a net zero emissions society -

Increase the contribution to GHG reduction through GR Businesses

Support the advancement of carbon-neutral technologies in the GR business, including renewable energy, hydrogen, and materials related to electrification.

Introduction of GHG reduction technologies in business operations

Reduce total emissions through the use of sustainable energy and raw materials, innovative processes, carbon recycling technologies, etc.



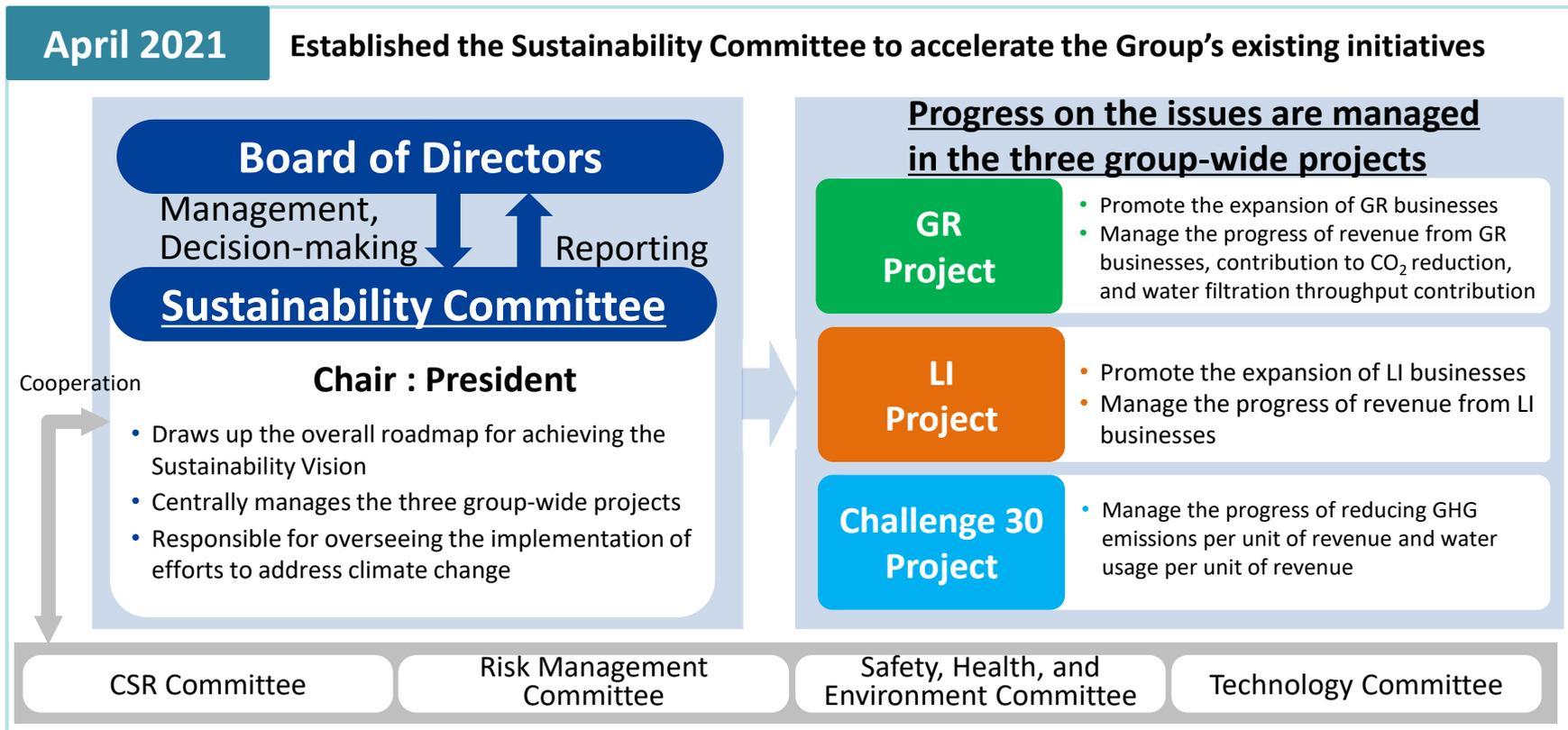
Contributing to the realization of a carbon-neutral society

Aiming to become carbon neutral in the company's business operations

# Climate Change-related Governance System

## Toray Group's efforts to global environmental issues

1990s	<ul style="list-style-type: none"> <li>• Global Environment Research Laboratory established</li> <li>• Global Environment Committee established to serve as a group-wide committee</li> </ul>
2000s	<ul style="list-style-type: none"> <li>• Three-Year Environment Plan established</li> <li>• Global Environment Business Strategic Planning Department established</li> </ul>
2010s	<ul style="list-style-type: none"> <li>• Efforts to expand Toray Group's GR businesses</li> <li>• Toray Group Sustainability Vision established</li> </ul>



# Climate Change Impact Analysis

## ■ Conducted a scenario analysis as per the TCFD recommendations

- Focusing on the markets that are thought to have a particularly significant impact on the Group, including synthetic fibers for apparel, electric vehicles, aircraft, wind power generation, lithium-ion batteries, next-generation batteries, fuel cells, and water treatment, Toray conducted the analysis for the period from 2030 to 2050 primarily for the 1.5°C scenario and also for the 2°C and 4°C scenarios.

## ■ Results of the opportunity and risk analyses

- Opportunities : There are significant opportunities for businesses that mitigate climate change, focusing on GR businesses, and there is a possibility that the business opportunities will increase as efforts to address climate change continue to advance.
- Risks : There is a particularly significant risk of carbon tax burdens and restrictions on GHG emissions, but can be reduced by implementing initiatives to achieve the GHG emissions targets outlined in the Sustainability Vision.
- Toray believes that the Sustainability Vision addresses the social changes arising from climate change and it was further confirmed that there is no need at this time to change the long-term strategies. Toray will continue to regularly supplement and update the content of the analyses in response to social changes.

[Main opportunities, risks, and responses related to climate change (excerpts\*1)]

\*1 Excerpt from Toray Group TCFD Report 2021

Social change	Main risks, opportunities		Responses by Toray Group	Magnitude of opportunity, risk *2			
				1.5°C	2°C	4°C	
Increase in ratio of renewable energy	Opportunities	<ul style="list-style-type: none"> <li>• Growth of renewable energy-related business</li> <li>• Growth of storage battery-related business</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon fiber for wind turbine blades</li> <li>• Battery separator film</li> </ul>	GR	large		
	Risks	<ul style="list-style-type: none"> <li>• Increased electricity costs</li> </ul>	<ul style="list-style-type: none"> <li>• Energy conservation initiatives</li> </ul>		large		
Establishment and raising of carbon taxes and GHG emissions reduction targets	Opportunities	<ul style="list-style-type: none"> <li>• Growth of energy conservation-related business</li> </ul>	<ul style="list-style-type: none"> <li>• Lightweight materials</li> <li>• Insulating and heat shielding products</li> <li>• Functional garments</li> </ul>	GR LI	large		
	Risks	<ul style="list-style-type: none"> <li>• Carbon tax burden, increased procurement costs for fossil-based raw materials and fuels</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce GHG emissions</li> </ul>		large		

\*2 The magnitude of the impact was assessed to be large, moderate or small. Where the magnitude of the impact on a given item varies according to the climate scenario, the gradient indicates the particular scenario where the impact is greater.

## **III. Reference**

# Impact of IFRS Adoption in FY Mar/20

Billion yen

FY Mar/20 Actual				Changes	Main Differences
J-GAAP		IFRS			
Net Sales	2,214.6	Revenue	2,091.2	-123.5	Net presentation of transactions as agent, Changes in the timing of revenue recognition
Operating Income	131.2	Core Operating Income	125.5	-5.7	Non-amortization of goodwill, Reclassifications of non-operating income and expenses
Income before Income Tax	94.0	Profit before Tax	123.3	+29.3	Non-amortization of goodwill, Exclusion of gains and losses on sale and impairment of investment securities
Net Income Attributable to Owners of Parent	55.7	Profit Attributable to Owners of Parent	84.2	+28.5	

# Impact of IFRS Adoption in FY Mar/20 by Segment

Billion yen

		FY Mar/20 Actual		Changes	Main Differences
		J-GAAP	IFRS		
Net Sales / Revenue	Fibers & Textiles	883.1	831.0	-52.2	- Net presentation of transactions as agent  - Changes in the timing of revenue recognition
	Performance Chemicals	770.8	761.2	-9.6	
	Carbon Fiber Composite Materials	236.9	236.9	-0.0	
	Environment & Engineering	252.3	190.8	-61.4	
	Life Science	53.3	53.0	-0.2	
	Other	18.2	18.2	+0.0	
	<b>Total</b>	<b>2,214.6</b>	<b>2,091.2</b>	<b>-123.5</b>	

		FY Mar/20 Actual		Changes	Breakdown of the Differences	
		J-GAAP	IFRS		Non-amortization of Goodwill	Other
Operating Income / Core Operating Income	Fibers & Textiles	60.7	59.6	-1.1	+0.0	-1.1
	Performance Chemicals	58.7	54.5	-4.2	+4.3	-8.5
	Carbon Fiber Composite Materials	21.0	22.6	+1.6	+6.3	-4.7
	Environment & Engineering	11.2	10.6	-0.7	+0.3	-1.0
	Life Science	1.6	0.5	-1.1	—	-1.1
	Other	3.4	3.6	+0.2	—	+0.2
	Reconciliations	▲ 25.5	▲ 25.8	-0.4	—	-0.4
	<b>Total</b>	<b>131.2</b>	<b>125.5</b>	<b>-5.7</b>	<b>+10.9</b>	<b>-16.6</b>

# Quarterly Revenue by Segment

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
<b>Fibers &amp; Textiles</b>	195.8	226.5	219.0	189.7	831.0	145.0	185.2	206.1	182.9	719.2
<b>Performance Chemicals</b>	197.5	196.6	187.9	179.2	761.2	155.6	171.7	192.6	200.5	720.4
<b>Carbon Fiber Composite Materials</b>	61.5	58.4	59.6	57.3	236.9	45.4	43.9	45.6	47.9	182.9
<b>Environment &amp; Engineering</b>	41.8	45.4	43.2	60.5	190.8	37.2	41.0	46.4	68.9	193.5
<b>Life Science</b>	12.5	14.1	13.8	12.7	53.0	11.6	13.1	13.7	14.6	53.0
<b>Other</b>	4.2	4.9	4.1	5.1	18.2	2.9	3.4	3.7	4.5	14.6
<b>Consolidated</b>	513.2	545.8	527.5	504.6	2,091.2	397.6	458.4	508.1	519.4	1,883.6

# Quarterly Core Operating Income by Segment

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
<b>Fibers &amp; Textiles</b>	14.5	17.2	16.3	11.6	59.6	7.2	8.6	12.2	8.6	36.6
<b>Performance Chemicals</b>	16.9	16.4	13.8	7.5	54.5	8.1	16.0	23.6	19.3	67.0
<b>Carbon Fiber Composite Materials</b>	6.4	5.4	6.3	4.5	22.6	1.7	▲ 2.0	▲ 3.4	▲ 3.8	▲ 7.5
<b>Environment &amp; Engineering</b>	1.4	2.4	1.7	5.1	10.6	0.8	3.2	4.0	6.5	14.5
<b>Life Science</b>	0.5	0.6	0.6	▲ 1.1	0.5	0.1	0.8	0.9	▲ 0.5	1.3
<b>Others</b>	0.4	0.9	0.7	1.5	3.6	0.1	0.4	1.2	1.2	2.9
<b>Adjustments</b>	▲ 5.6	▲ 5.9	▲ 6.6	▲ 7.7	▲ 25.8	▲ 5.5	▲ 5.3	▲ 5.6	▲ 8.1	▲ 24.6
<b>Consolidated</b>	34.5	37.0	32.7	21.4	125.5	12.5	21.6	32.9	23.3	90.3

# Quarterly Revenue of Performance Chemicals by Sub-segments

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Resins, Chemicals	84.3	79.6	80.9	75.5	320.4	59.7	71.9	87.2	90.4	309.2
Films	79.4	78.7	76.9	76.0	310.9	69.4	75.1	78.5	80.1	303.1
Electronic & Information Materials	16.2	19.3	17.4	14.4	67.4	14.6	17.6	17.6	18.0	67.8
Trading, Other	109.7	100.2	99.6	98.0	407.4	87.7	86.8	104.5	110.3	389.3
Adjustments	▲ 92.2	▲ 81.2	▲ 86.9	▲ 84.6	▲ 344.9	▲ 75.7	▲ 79.7	▲ 95.2	▲ 98.3	▲ 348.9
<b>Total</b>	197.5	196.6	187.9	179.2	761.2	155.6	171.7	192.6	200.5	720.4

# Quarterly Revenue of Carbon Fiber Composite Materials by Sub-segments

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
<b>Aerospace</b>	29.2	26.5	26.8	25.4	107.8	<b>17.4</b>	<b>16.1</b>	<b>14.8</b>	<b>11.6</b>	<b>60.0</b>
<b>Sports</b>	4.9	4.2	4.4	3.5	17.0	<b>3.2</b>	<b>3.7</b>	<b>4.1</b>	<b>4.6</b>	<b>15.5</b>
<b>Industrial</b>	27.4	27.8	28.4	28.4	112.0	<b>24.9</b>	<b>24.1</b>	<b>26.7</b>	<b>31.7</b>	<b>107.4</b>
<b>Total</b>	61.5	58.4	59.6	57.3	236.9	<b>45.4</b>	<b>43.9</b>	<b>45.6</b>	<b>47.9</b>	<b>182.9</b>

# Quarterly Revenue of Major Subsidiaries and Regions

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Toray International, Inc.	139.6	152.6	158.3	125.1	575.5	111.1	122.7	141.3	124.4	499.5
Toray Engineering Co., Ltd.	23.4	26.6	26.1	36.7	112.7	17.5	20.1	24.4	41.7	103.7
Toray Construction Co., Ltd.	8.2	10.1	8.1	16.9	43.4	5.5	9.7	13.1	11.8	40.0
Toray Advanced Film Co., Ltd.	9.3	9.9	9.6	8.7	37.5	9.3	8.5	9.2	8.9	35.9

Subsidiaries in Southeast Asia	Fibers & Textiles	34.7	35.6	33.5	31.9	135.7	18.7	23.6	27.5	30.2	100.0
	Performance Chemicals	23.2	21.5	21.7	19.0	85.4	15.4	20.5	24.6	26.8	87.2
	Other	0.0	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.0	0.1
	<b>Total</b>	<b>57.9</b>	<b>57.1</b>	<b>55.3</b>	<b>50.9</b>	<b>221.2</b>	<b>34.1</b>	<b>44.1</b>	<b>52.2</b>	<b>57.0</b>	<b>187.4</b>
Subsidiaries in China	Fibers & Textiles	50.6	60.8	56.3	37.5	205.1	40.1	56.1	61.1	41.1	198.4
	Performance Chemicals	21.7	19.1	20.4	16.5	77.7	18.9	21.2	25.1	24.9	90.1
	Other	9.1	8.7	10.3	6.7	34.8	9.0	8.9	9.8	7.7	35.4
	<b>Total</b>	<b>81.5</b>	<b>88.6</b>	<b>87.0</b>	<b>60.6</b>	<b>317.7</b>	<b>68.0</b>	<b>86.2</b>	<b>96.1</b>	<b>73.7</b>	<b>323.9</b>
Subsidiaries in the Republic of Korea	Fibers & Textiles	20.8	20.6	21.5	21.4	84.3	18.2	19.4	19.9	22.2	79.6
	Performance Chemicals	38.7	40.6	40.1	37.2	156.6	31.2	37.1	39.8	39.3	147.4
	Other	7.5	7.2	6.6	5.3	26.6	5.0	5.2	5.9	6.7	22.7
	<b>Total</b>	<b>67.1</b>	<b>68.4</b>	<b>68.1</b>	<b>63.9</b>	<b>267.5</b>	<b>54.3</b>	<b>61.7</b>	<b>65.6</b>	<b>68.1</b>	<b>249.7</b>

# Quarterly Core Operating Income of Major Subsidiaries and Regions

IFRS

Billion yen

	FY Mar/20					FY Mar/21				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Toray International, Inc.	2.9	3.6	3.6	2.8	12.9	1.9	3.3	3.3	2.5	10.9
Toray Engineering Co., Ltd.	0.4	0.7	0.5	2.0	3.6	▲ 0.6	▲ 0.0	1.3	3.5	4.1
Toray Construction Co., Ltd.	▲ 0.2	0.1	▲ 0.2	1.0	0.6	▲ 0.4	0.7	0.7	0.1	1.1
Toray Advanced Film Co., Ltd.	0.5	0.7	0.8	0.5	2.6	0.8	1.0	1.1	1.2	4.1

Subsidiaries in Southeast Asia	Fibers & Textiles	1.4	1.3	1.4	0.5	4.8	▲ 1.2	▲ 0.7	▲ 0.7	0.4	▲ 2.3
	Performance Chemicals	1.9	1.2	1.5	1.6	6.3	1.4	4.2	6.3	6.4	18.3
	Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>Total</b>	<b>3.3</b>	<b>2.6</b>	<b>3.0</b>	<b>2.2</b>	<b>11.0</b>	<b>0.2</b>	<b>3.5</b>	<b>5.6</b>	<b>6.7</b>	<b>16.0</b>
Subsidiaries in China	Fibers & Textiles	5.6	5.8	5.1	3.0	19.5	4.9	5.0	4.5	2.4	16.8
	Performance Chemicals	0.7	0.7	0.9	0.8	3.2	1.0	1.0	1.5	1.5	5.0
	Other	0.7	0.7	0.6	0.2	2.3	0.8	0.8	0.9	0.5	3.1
	<b>Total</b>	<b>7.1</b>	<b>7.2</b>	<b>6.6</b>	<b>4.1</b>	<b>25.0</b>	<b>6.7</b>	<b>6.8</b>	<b>6.9</b>	<b>4.5</b>	<b>24.9</b>
Subsidiaries in the Republic of Korea	Fibers & Textiles	0.5	0.8	1.0	0.7	3.0	2.8	2.4	1.6	0.1	6.8
	Performance Chemicals	5.7	6.8	6.4	4.4	23.3	4.5	5.8	5.6	3.7	19.5
	Other	1.2	1.0	0.5	0.6	3.4	0.8	0.7	0.6	0.7	2.9
	<b>Total</b>	<b>7.4</b>	<b>8.6</b>	<b>7.9</b>	<b>5.7</b>	<b>29.6</b>	<b>8.1</b>	<b>8.9</b>	<b>7.7</b>	<b>4.5</b>	<b>29.2</b>

# Number of Employees, Changes in Subsidiaries and Affiliates

## Number of Employees

	End of Mar/20	End of Mar/21	Changes
Toray	7,568	<b>7,420</b>	-148
Japanese Consolidated Subsidiaries	10,430	<b>10,246</b>	-184
Overseas Consolidated Subsidiaries	30,033	<b>28,601</b>	-1,432
<b>Total</b>	<b>48,031</b>	<b>46,267</b>	<b>-1,764</b>

## Changes in Subsidiaries and Affiliated Companies

## Number of Companies

		End of Mar/20	End of Mar/21	Changes
Consolidated Subsidiaries	Japan	62	63	+1
	Overseas	123	124	+1
	<b>Total</b>	<b>185</b>	<b>187</b>	<b>+2</b>
Subsidiaries accounted for by Equity Method	Japan	27	27	±0
	Overseas	34	33	-1
	<b>Total</b>	<b>61</b>	<b>60</b>	<b>-1</b>
Total Subsidiaries	Japan	89	90	+1
	Overseas	157	157	±0
	<b>Total</b>	<b>246</b>	<b>247</b>	<b>+1</b>
Affiliates accounted for by Equity Method	Japan	13	13	±0
	Overseas	23	23	±0
	<b>Total</b>	<b>36</b>	<b>36</b>	<b>±0</b>
Companies subject to Consolidation	Japan	<b>102</b>	<b>103</b>	<b>+1</b>
	Overseas	<b>180</b>	<b>180</b>	<b>±0</b>
	<b>Total</b>	<b>282</b>	<b>283</b>	<b>+1</b>

# External Evaluations from the Perspectives of ESG

## ■ CDP



December 2020  
Water Security : A  
Climate Change : B

## ■ S&P Global Sustainability Yearbook Member

Sustainability Yearbook February 2021  
Member 2021

**S&P Global**

## ■ Selected as a component of major overseas indexes

MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM

November 2020

“Dow Jones Sustainability Index(DJSI), Asia Pacific”



FTSE4Good

June 2020

“FTSE4Good Index Series”

**2020** MSCI ESG Leaders  
Indexes Constituent

July 2020

“MSCI ESG Leaders Indexes”

## ■ Selected for indices used by GPIF



FTSE Blossom  
Japan

**2020** CONSTITUENT MSCI JAPAN  
ESG SELECT LEADERS INDEX

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**Descriptions of predicted business results, projections, and business plans 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**