



May 11, 2023

To whom it may concern,

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 Name of representative: Ikuo Takeuchi,  
 President & Representative Director  
 (Stock code: 3101, Prime Market of the Tokyo Stock Exchange)  
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### Notice Regarding Recording of Extraordinary Losses (Impairment Losses) and Differences Between Forecasts for Fiscal Year Ended March 31, 2023 and Actual Results

TOYOBO Co., Ltd. (hereinafter “the Company”) hereby announces that the Company has recorded impairment losses on business assets, etc. for the fiscal year ended March 31, 2023. Accordingly, there are differences between the forecasts for the fiscal year ended March 31, 2023, which were announced on February 8, 2023, and the actual results. The details are described below.

#### 1. Recording of extraordinary losses (impairment losses)

The Company’s nonwoven materials business and engineering plastics business continued to post losses as they were impacted by the curtailment in automobile production and China’s zero-COVID policy, and as product price revisions could not keep up with rising raw material and fuel prices. Based on the results of calculating future recoverability considering the current business environment, the recoverable amount of the business assets held by the said businesses fell below their carrying amount. Therefore, the Company reduced the carrying amount to the recoverable amount, and recorded the amount of the reduction as impairment losses of ¥8.2 billion.

In addition, based on the results of reviewing the recoverability of assets to be suspended and the business assets that continue to post losses among the non-current assets held by the Company and some subsidiaries, the Company recorded impairment losses of ¥1.6 billion.

Based on the above, the Company recorded impairment losses (consolidated) of ¥9.8 billion and impairment losses (non-consolidated) of ¥9.3 billion as extraordinary losses for the fiscal year ended March 31, 2023.

#### 2. Differences between forecasts for fiscal year ended March 31, 2023 and actual results

	Net sales	Operating profit	Ordinary profit	Profit (loss) attributable to owners of parent	Net profit (loss) per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A)	400,000	11,000	7,500	6,500	73.08
Revised Forecasts (B)	399,921	10,063	6,590	(655)	(7.37)
Change (B-A)	(79)	(937)	(910)	(7,155)	
Percent Change (%)	(0.0)	(8.5)	(12.1)	-	
(Reference) Actual results for the fiscal year ended March 31, 2022 (FY 3/2022)	375,720	28,430	23,092	12,865	144.75

### 3. Reasons for differences

The financial results for the fiscal year were impacted by rising raw material and fuel prices, and operating profit and ordinary profit were ¥0.9 billion lower than the previous forecasts. In addition, due to the reasons explained above in “1. Recording of extraordinary losses (impairment losses),” loss attributable to owners of parent for the fiscal year was ¥0.7 billion, which was ¥7.2 billion lower than the previous forecast.

The Company has not changed the forecast for the year-end dividend from ¥40 per share as announced on February 8, 2023.