



February 9, 2021

Presentation to Investors

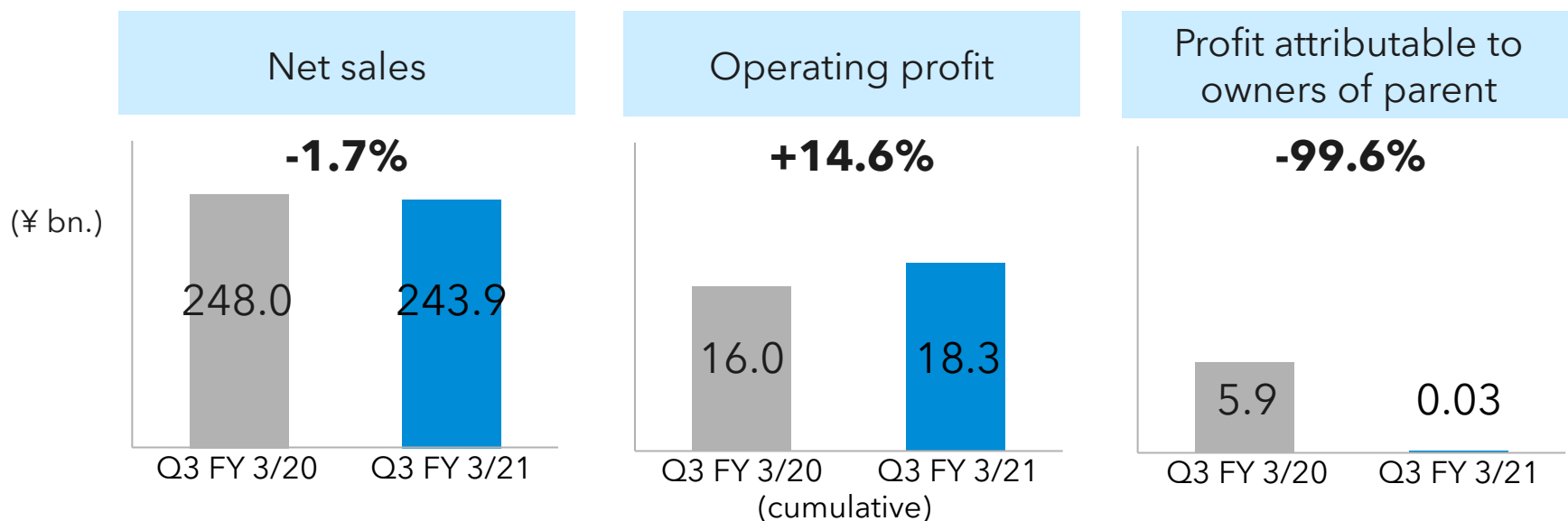
TOYOBO CO., LTD.

Q3 FY 3/21 Results

- Sales decreased and operating profit increased since the films business performed strongly despite the impact of COVID-19.
- Profit decreased significantly as acrylic fiber business recorded impairment loss of ¥7.8 bn.

FY 3/21 Forecasts

- The films business and reagents for PCR testing are performing strongly, and operating profit for the full year was revised to ¥23.0 bn.
(net profit was revised to ¥0.0 bn.)



Summary of Results: PL



(¥bn.)

	Q3 FY 3/20 (cumulative)	Q3 FY 3/21 (cumulative)	YOY	
			Amount	%
Net sales	248.0	243.9	- 4.1	- 1.7%
Operating profit	16.0	18.3	+ 2.3	+ 14.6%
(Ratio to sales)	6.4%	7.5%	-	-
Ordinary profit	13.4	12.5	- 1.0	- 7.3%
Extraordinary income and losses	-5.0	-12.7	-	-
Profit attributable to owners of parent	5.9	0.0	- 5.9	- 99.6%

EBITDA* <small>*Operating profit + Depreciation (includes goodwill)</small>	28.3	32.5	+ 4.2	+ 14.7%
EPS (¥)	66.2	0.3	-	-
ROE*	4.4%	0.0%	-	-

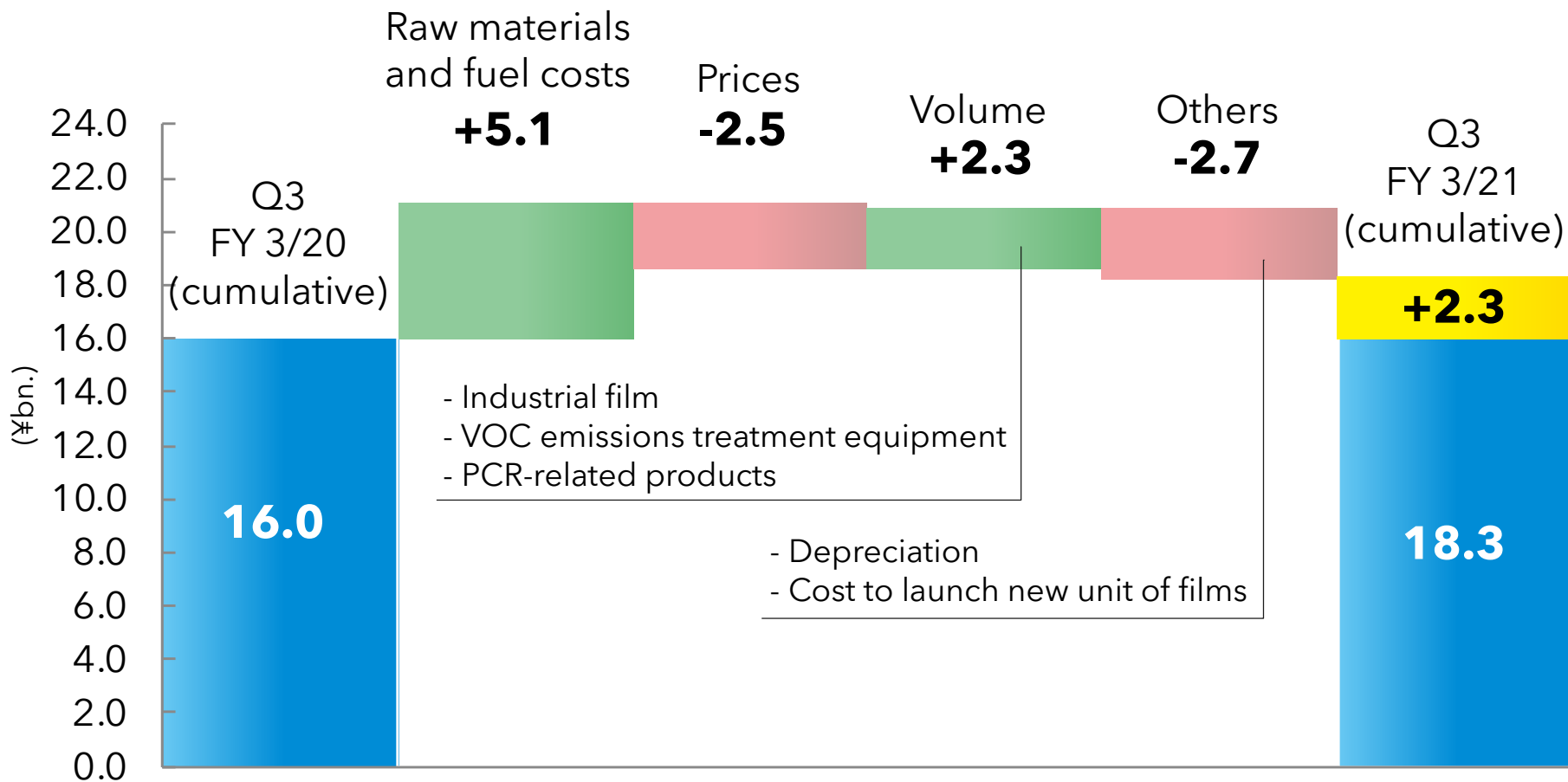
*Annualized for Q3 of FY 3/21.
(profit*(4/3)/ beginning and ending balance average shareholder's equity)

Depreciation	12.3	14.2	+ 1.8	+ 14.8%
CAPEX	23.5	16.8	- 6.7	- 28.7%

Exchange rate (¥/US\$)	109	106
Naphtha price in Japan (thousand¥/kl)	42	29

- Non-operating expenses: Suspension of production of ¥1.6 bn.
- Extraordinary losses: Impairment loss for the acrylic fiber business of ¥7.8 bn.

Analysis in Changes in Operating Profit



	Q3 FY 3/20	Q3 FY 3/21
Exchange rate (¥/US\$)	109	106
Naphtha price in Japan (thousand¥/kl)	42	29

Summary of Results: BS

		(B)	(A)	(¥bn.)
	Mar. 31, 2019	Mar. 31, 2020	Dec. 31, 2020	(A)-(B)
Total assets	461.0	488.9	481.5	- 7.4
Cash and deposits	22.3	25.2	29.6	+ 4.3
Inventories	76.8	80.6	78.8	- 1.9
Property, plant and equipment	208.5	231.5	225.7	- 5.8
Net assets	181.2	182.6	180.0	- 2.6
Shareholder's equity	176.6	177.9	177.1	- 0.8
(Retained earnings)	51.9	61.9	60.2	- 1.8
Non-controlling interests	4.6	4.7	2.9	- 1.8
Interest-bearing debt	164.8	175.1	189.0	+ 13.8
D/E ratio	0.93	0.98	1.07	-
Net D/E ratio*	0.81	0.84	0.90	-

* $(\text{Interest-bearing debt} - \text{Cash and deposits}) / \text{Shareholder's equity}$

Summary of Results: Segment



(¥bn.)

	Net sales		Operating profit		
	Q3 FY 3/20 (cumulative)	Q3 FY 3/21 (cumulative)	Q3 FY 3/20 (cumulative)	Q3 FY 3/21 (cumulative)	YOY
Films and Functional Materials	90.4	113.0	10.6	14.3	+ 3.7
Mobility	33.0	25.5	- 0.6	- 1.7	- 1.1
Lifestyle and Environmental	95.6	77.3	3.9	3.0	- 0.9
Life Science	18.9	19.2	2.7	3.2	+ 0.4
Real Estate and Others	10.1	8.8	1.7	1.6	- 0.1
Elimination & Corporate	-	-	- 2.4	- 2.2	+ 0.2
Total	248.0	243.9	16.0	18.3	+ 2.3

- The Group changed its reporting segment classification from the three months ended June 30, 2020. Accordingly, the figures for Q3 FY 3/20 have been restated in accordance with the method of classification existing after the aforesaid change.

Films and Functional Materials



(¥bn.)

	FY 3/20			FY 3/21			Q3 cumulative YOY	
	H1	Q3	Q3 (cumulative)	H1	Q3	Q3 (cumulative)	Amount	%
Net sales	59.9	30.5	90.4	73.8	39.2	113.0	+ 22.6	+25.0%
Operating profit (OPM)	7.3	3.3	10.6	8.7	5.6	14.3	+ 3.7	+34.9%
	12.2%	10.9%	11.8%	11.8%	14.3%	12.7%	-	-

Packaging film

- There was demand from people staying at home despite the decline of products for professional use caused by the spread of infection of COVID-19.
- Sales of some products decreased due to the fire accident.
- Environmentally friendly films achieved growth in sales due to rising eco-consciousness.

Environmentally conscious packaging film

- "CYCLE CLEAN", film with 80% recycled resin, etc.
- In Q3 cumulative, sales increased by approx. 5%.
Approx. 20% of net sales within packaging films.



Films and Functional Materials

Industrial film

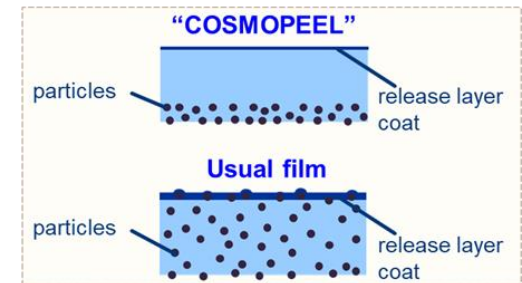
“COSMOSHINE SRF”

- In Q3 cumulative, sales increased by approx. 30%.
- Unit 3 started mass production in July 2020.
Expecting approx. 1.5-fold increase in production capacity.
- Sales expanded mainly for use in large-sized TVs due to superior water resistance and durability.



Mold releasing film for MLCC “COSMOPEEL”

- In Q3 cumulative, sales increased by approx. 15%.
- In Q3, demand for automotive applications recovered.



Absorption-type merger with TOYOBO FILM SOLUTIONS LIMITED

- Absorption-type merger expected to be carried out on Apr. 1, 2021
- Combine the strengths of both companies and exert synergies.

Functional Materials

- Industrial adhesives “Vylon” and adhesion promoter for polyolefin “HARDLEN” saw signs of a recovery trend, mainly for electronic materials and automotive applications.



(¥bn.)

	FY 3/20			FY 3/21			Q3 cumulative YOY	
	H1	Q3	Q3 (cumulative)	H1	Q3	Q3 (cumulative)	Amount	%
Net sales	22.2	10.8	33.0	15.0	10.5	25.5	- 7.5	- 22.8%
Operating profit (OPM)	- 0.4	- 0.2	- 0.6	- 1.3	- 0.4	- 1.7	- 1.1	-
	-	-	-	-	-	-	-	-

- Sales were on a recovery trend due to the recovery of automobile production globally, but were unable to compensate for the impact of reduced automobile production through the first half.

Airbag fabrics

- Sales continued to face challenges due to production adjustments, etc. despite being on a recovery trend primarily in North America.

Engineering plastics

- Sales were unable to compensate for the decrease in the first half despite being on a recovery trend primarily in Japan and China.

Misconduct concerning quality

Overview: engineering plastics business

(i) Rescission of UL's certification for "PLANAC", PBT resin (as of Oct. 28, 2020)

- At the time of verification testing for certified products, samples were submitted that had a different chemical composition from the product actually being sold.
- Investigation into the cause by a third party (until Dec. 2020)
- Completed explanations to all customers. At present, there is no request for collection of products using "PLANAC".

(ii) Report regarding the results of investigation with respect to the above (Dec. 29, 2020)

- Causes: Inadequate inspection functions and check system, faulty whistleblowing system, limited personnel exchanges with other departments, etc.

(iii) With respect to the above, rescission of ISO9001 certification and temporary suspension of certification (as of Jan. 28, 2021)

- Certification granted to the Engineering Plastics Operating Department was rescinded.
- Certification for the Functional Materials Production and Technology Department was temporarily suspended. Make every effort to lift the temporary suspension within 6 months.

(iv) Rescission of UL's certification for engineering plastic product (as of Feb. 3, 2021)

- Applicable products: "VYLOPET", "GLAMIDE", "PELPRENE"
- Reason for rescission of certification:
Chemical composition of the product for which certification was acquired differing from that of the product actually being sold, production at a factory without UL's certification, etc.
- Continue to verify the performance levels by third-party evaluation organizations to report and discuss with our clients.

To prevent recurrence

- Continue investigations led by a committee that has secured independence from the executive body.
- Demotion, retirement, and taking back a portion of remuneration from relevant officers (decided, partially conducted)
- Formulation and implementation of measures to prevent recurrence after investigation of the cause (under review, some urgent action was conducted)
- Reconstruction of quality assurance process, strengthen management (under review)

Lifestyle and Environmental



(¥bn.)

	FY 3/20			FY 3/21			Q3 cumulative YOY	
	H1	Q3	Q3 (cumulative)	H1	Q3	Q3 (cumulative)	Amount	%
Net sales	63.8	31.7	95.6	50.2	27.1	77.3	- 18.3	- 19.1%
Operating profit (OPM)	2.4	1.5	3.9	1.8	1.2	3.0	- 0.9	- 22.4%
	3.8%	4.6%	4.1%	3.5%	4.6%	3.9%	-	-

Environmental solutions

- Sales of VOC emissions treatment equipment for overseas were on a recovery trend.

Nonwoven fabrics

- Sales of spunbond for construction and civil engineering applications were sluggish.
- Sales of functional filters were strong for air purifiers and masks, but struggled for office machinery.

Functional fiber materials

- Polyester staple fibers for use in hygiene products and "BREATHAIR" for bedding applications were strong.
- Demand of "Tsunoooga" for gloves for plant operation decreased.

Textiles

- Orders drastically decreased due to sluggish store sales.
- Acrylic fiber business struggled due to the significant impact of COVID-19 in addition to deterioration in market conditions.

	FY 3/20			FY 3/21			Q3 cumulative YOY	
	H1	Q3	Q3 (cumulative)	H1	Q3	Q3 (cumulative)	Amount	%
Net sales	12.5	6.4	18.9	12.4	6.9	19.2	+ 0.3	+ 1.6%
Operating profit (OPM)	2.0	0.7	2.7	1.6	1.6	3.2	+ 0.4	+ 16.6%
	16.1%	10.9%	14.3%	12.9%	22.7%	16.4%	-	-

Biotechnology

- Demand for raw materials for diagnostic reagents and general testing decreased.
- Sales of raw materials for PCR-related testing and reagents for research increased significantly.
- Plan to double production volume from Feb. 2021.

Reagents for genetic testing for "GENECUBE"

- Detect COVID-19 in as quickly as 35 min. after the sample arrives at the laboratory.
- Detect influenza and COVID-19 at the same time.

Medical materials

- Sales strong for membranes for dialysis.

Pharmaceuticals

- Faced challenges due to the impact of a portion of operations being suspended.

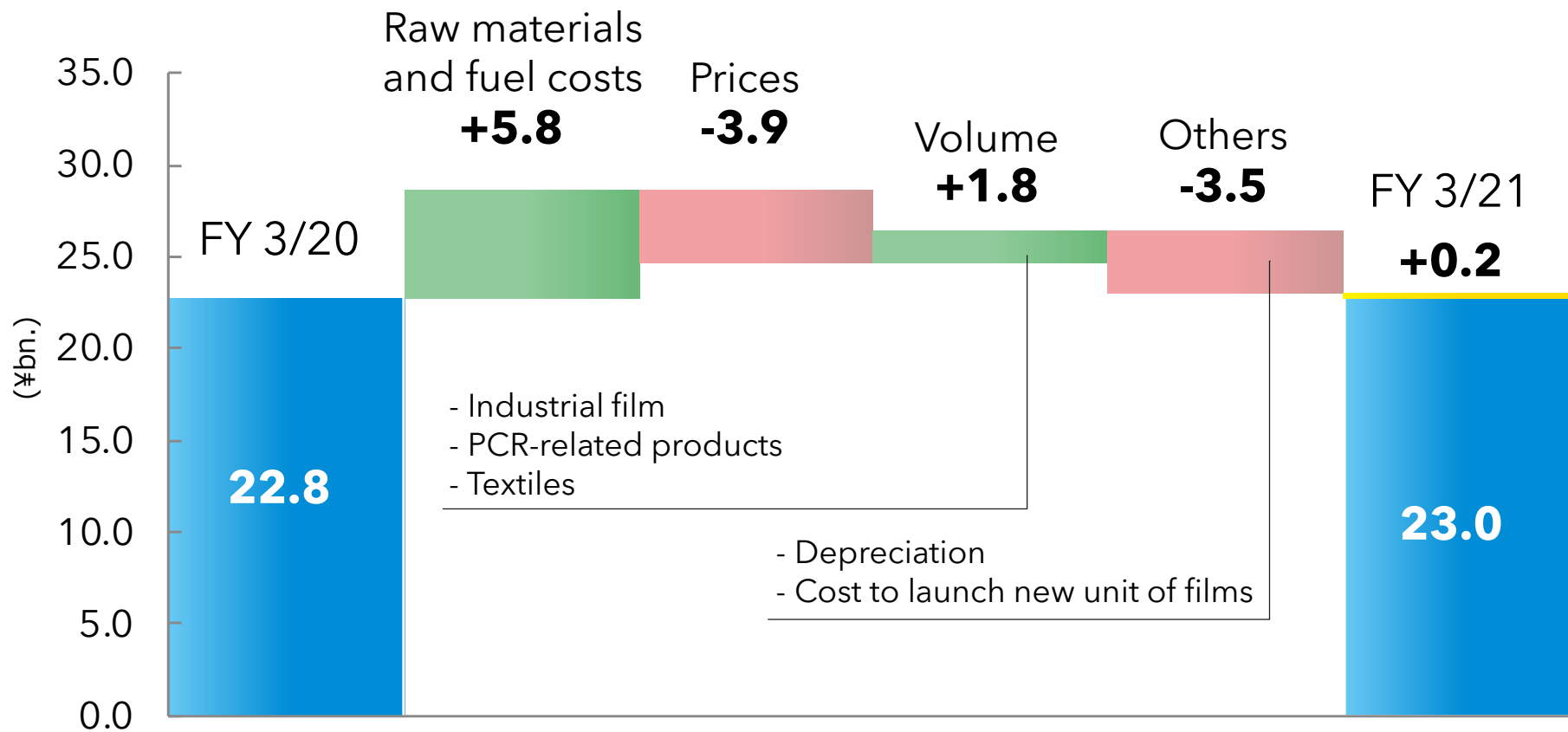


Forecasts for FY 3/21

The films business and reagents for PCR testing are performing strongly, and operating profit for the full year was revised to ¥23.0 bn. (net profit was revised to ¥0.0 bn.)

	FY 3/20	FY 3/21		YOY		(¥bn.)
	result	Q3 (cumulative)	full year forecasts	Amount	%	Previous forecasts (Nov. 2020)
Net sales	339.6	243.9	335.0	- 4.6	- 1.4%	330.0
Operating profit	22.8	18.3	23.0	+ 0.2	+ 0.9%	20.0
(Ratio to sales)	6.7%	7.5%	6.9%	-	-	6.1%
Ordinary profit	18.0	12.5	16.0	- 2.0	- 11.3%	14.0
Extraordinary income and losses	1.7	- 12.7	- 15.2	-	-	- 4.2
Profit attributable to owners of parent	13.8	0.0	0.0	- 13.8	-	7.0
EPS (¥)	155.1	0.3	0.0	-	-	78.8
Depreciation	17.0	14.2	19.0	+ 2.0	+ 11.7%	18.8
CAPEX	36.4	16.8	23.0	- 13.4	- 36.9%	26.5
Dividend (¥)	40.0	-	40.0	-	-	40.0
Exchange rate (¥/US\$)	109	106	106			107
Naphtha price in Japan (thousand¥/kl)	43	29	31			32

Analysis in Changes in Operating Profit



	FY 3/20	FY 3/21
Exchange rate (¥/US\$)	109	106
Naphtha price in Japan (thousand¥/kl)	43	31

Forecasts by Segment



(¥bn.)

	Net sales		Operating profit			Previous forecasts (Nov. 2020)
	FY 3/20 result	FY 3/21 forecasts	FY 3/20 result	FY 3/21 forecasts	YOY	
Films and Functional Materials	127.1	153.0	14.6	19.0	+ 4.4	15.8
Mobility	43.9	37.0	- 0.7	- 2.2	- 1.5	- 1.9
Lifestyle and Environmental	128.4	107.0	5.9	3.3	- 2.6	4.0
Life Science	25.5	26.0	3.8	3.9	+ 0.1	3.5
Real Estate and Others	14.6	12.0	2.6	2.2	- 0.4	2.0
Elimination & Corporate	-	-	- 3.4	- 3.2	+ 0.2	- 3.4
Total	339.6	335.0	22.8	23.0	+ 0.2	20.0

- The Group changed its reporting segment classification from the three months ended June 30, 2020. Accordingly, the figures for fiscal year ended March 31, 2020, have been restated in accordance with the method of classification existing after the aforesaid change.
- Figures for FY3/20 are unaudited.



Appendix

Business performance



(¥bn.)

Net sales	FY 3/20					FY 3/21			
	Q1	Q2	Q3	Q3 (cumulative)	full year	Q1	Q2	Q3	Q3 (cumulative)
Films and Funictonal Materials	29.5	30.4	30.5	90.4	127.1	36.3	37.5	39.2	113.0
Mobility	11.7	10.5	10.8	33.0	43.9	6.8	8.2	10.5	25.5
Lifestyle and Environmental	30.7	33.1	31.7	95.6	128.4	22.9	27.3	27.1	77.3
Life Science	6.0	6.5	6.4	18.9	25.5	6.3	6.0	6.9	19.2
Real estate and Others	2.9	3.6	3.6	10.1	14.6	3.1	3.1	2.7	8.8
Elimination & Corporate	-	-	-	-	-	-	-	-	-
Total	80.8	84.1	83.1	248.0	339.6	75.5	82.1	86.4	243.9

Operating profit	FY 3/20					FY 3/21			
	Q1	Q2	Q3	Q3 (cumulative)	full year	Q1	Q2	Q3	Q3 (cumulative)
Films and Funictonal Materials	3.3	4.0	3.3	10.6	14.6	3.9	4.8	5.6	14.3
Mobility	0.3	-0.7	-0.2	-0.6	-0.7	-0.7	-0.6	-0.4	-1.7
Lifestyle and Environmental	0.9	1.5	1.5	3.9	5.9	0.3	1.4	1.2	3.0
Life Science	0.9	1.1	0.7	2.7	3.8	1.0	0.6	1.6	3.2
Real estate and Others	0.6	0.6	0.4	1.7	2.6	0.5	0.6	0.6	1.6
Elimination & Corporate	-0.8	-0.7	-0.9	-2.4	-3.4	-0.7	-0.7	-0.8	-2.2
Total	5.2	5.9	4.9	16.0	22.8	4.4	6.1	7.9	18.3

- The Group changed its reporting segment classification from the three months ended June 30, 2020. Accordingly, the figures for fiscal year ended March 31, 2020, have been restated in accordance with the method of classification existing after the aforesaid change.

- Figures for FY3/20 are unaudited.

Materiality

Continuing to be a Group that

“creates the solutions needed by people and the earth”

Innovation based on responsibility for the future: Realizing clean technology, high QOL, and future mobility

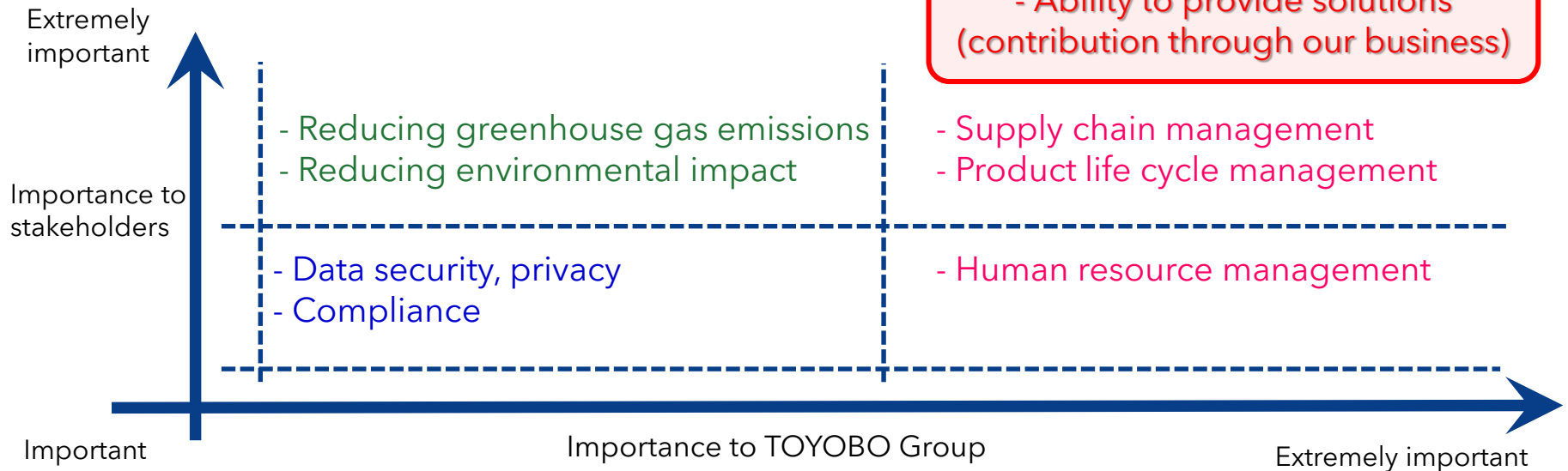
Management base

(Basic preconditions to materiality)

Safety, Disaster prevention,
Quality

Corporate governance

Respect for
human rights



Communication with stakeholders

Implementation of Materiality

Renewal of the sustainability website

- Renewed in Dec. 2020 with the aim of communicating the process and results of activities more clearly.
- Expanded ESG information significantly.
- <https://www.toyobo-global.com/sustainability/>

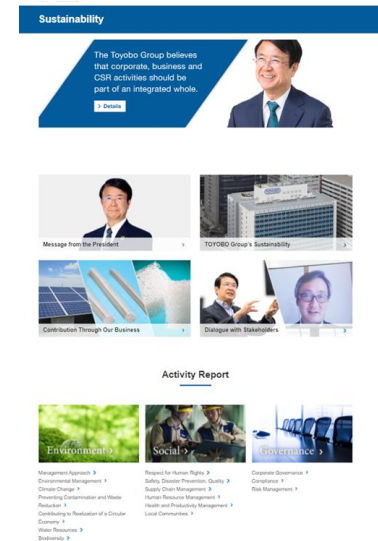
Formulation of KPI and targets for materiality

- KPI that has been set announced in Dec. 2020 after approval by the Board of Directors in Nov. 2020.
- Going forward, results will be reflected in the long- and medium-term management plans while managing progress.

Formulation of TOYOBO Group Human Rights Policy

Review of the Charter of Corporate Behavior

Review of CSR Procurement Guidelines

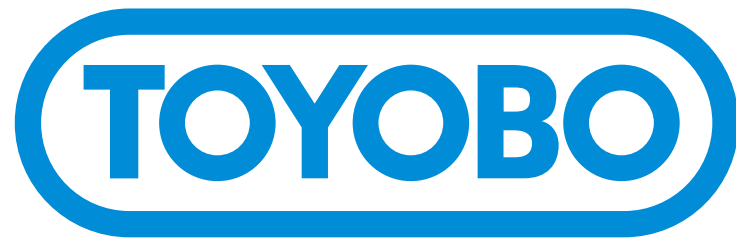


Please Note

The business performance forecasts and targets included in the business plans contained in this presentation are based on information known to the Company's management as of the day of presentation. Please be aware that the content of the future forecasts may differ significantly from actual results, due to a number of unforeseeable factors.

TOYOBO CO., LTD

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