



August 5, 2021

Presentation to Investors
for the First Quarter Ended June 30, 2021

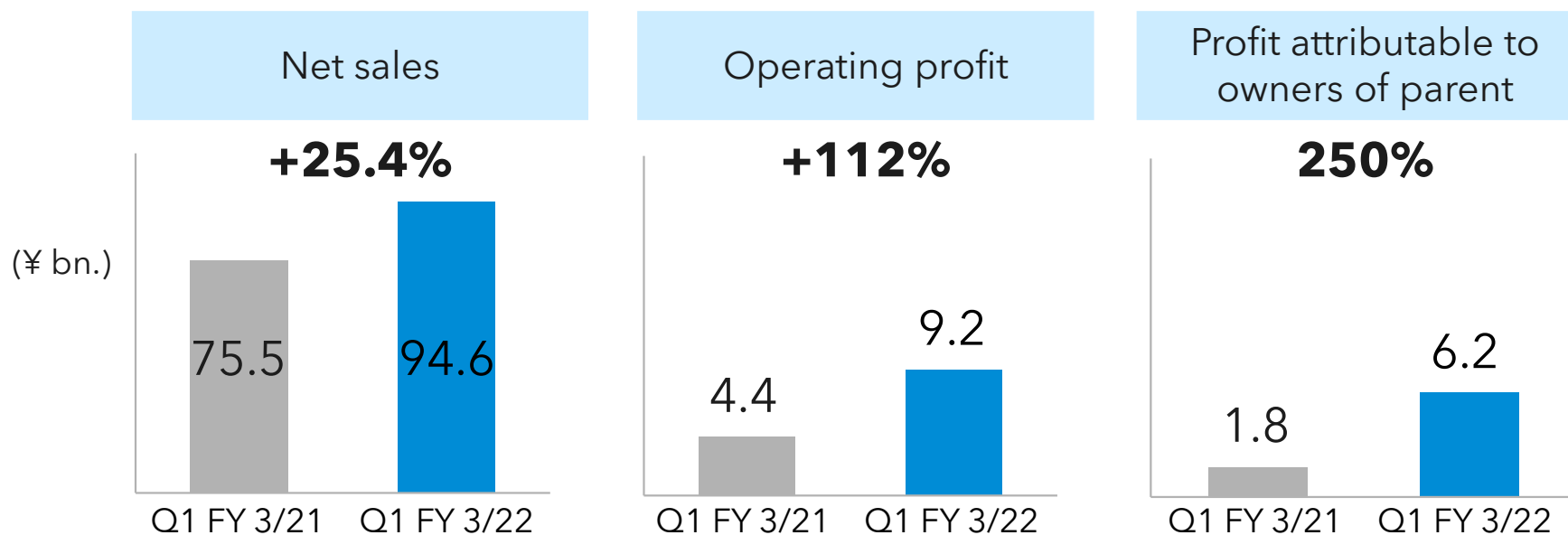
TOYOBO CO., LTD.

Highlights



Q1 FY 3/22 Results

- Despite the impact of rising raw material and fuel prices, sales and profit increased as industrial films and reagents for PCR testing performed strongly and automobile-related demand recovered.
- Operating profit of ¥9.2 bn (2.1-fold) and profit of ¥6.2 bn (3.5-fold)



FY 3/22 Forecasts

Operating profit was revised upward to ¥29.0 bn as industrial films and reagents for PCR testing performed strongly despite concerns regarding the impact of rising raw material and fuel prices. Net profit is forecasted to be ¥13.0 bn.

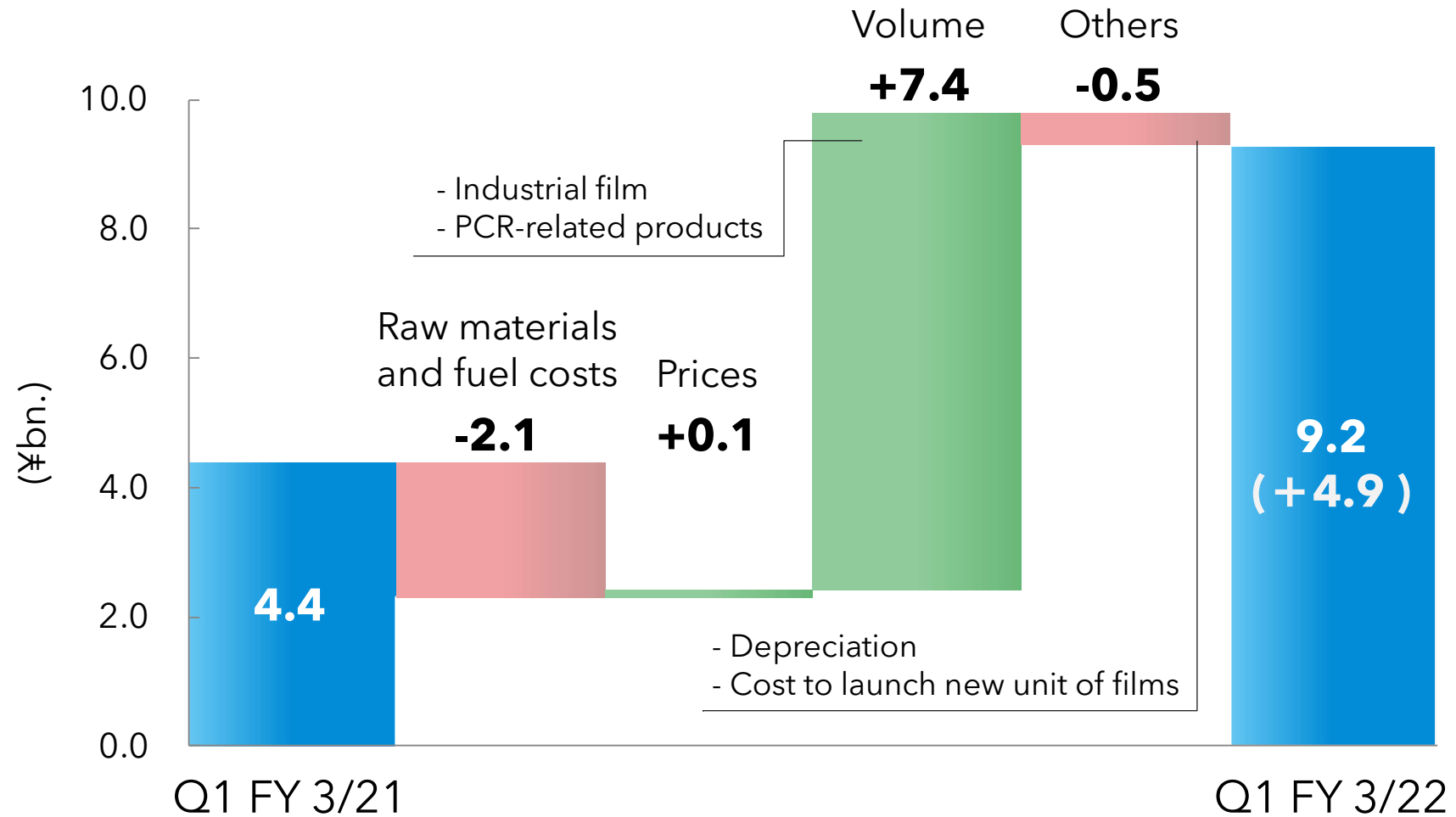
Summary of Results: P&L



(¥bn.)

	FY 3/21 Q1	FY 3/22 Q1	YOY	
			Amount	%
Net sales	75.5	94.6	+ 19.2	+25.4%
Operating profit	4.4	9.2	+ 4.9	+ 112.1%
(Ratio to sales)	5.8%	9.8%	-	-
Ordinary profit	2.8	7.5	+ 4.7	+ 170.2%
Extraordinary income and losses	-0.4	-0.5	- 0.1	-
Profit attributable to owners of parent	1.8	6.2	+ 4.4	+ 249.8%
EBITDA* <small>*Operating profit + Depreciation (includes goodwill)</small>	8.8	14.3	+ 5.5	+ 61.9%
EPS (¥)	19.9	69.5	-	-
Depreciation	4.5	5.0	+ 0.6	+ 12.8%
CAPEX	6.1	7.3	+ 1.2	+ 19.0%

Analysis in Changes in Operating Profit



	FY 3/21 Q1	FY 3/22 Q1
Exchange rate (¥/US\$)	108	110
Naphtha price in Japan (thousand¥/kl)	25	48

Previous forecasts
(May. 2021)
105
44

Summary of Results: BS



		(B)	(A)	(¥bn.)
	Mar. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	(A) - (B)
Total assets	488.9	491.2	492.4	+ 1.2
Cash and deposits	25.2	34.7	26.1	- 8.6
Inventories	80.6	76.3	81.3	+ 5.0
Property, plant and equipment	231.5	224.6	227.1	+ 2.5
Net assets	182.6	188.6	193.6	+ 4.9
Shareholder's equity	177.9	185.7	190.7	+ 5.0
(Retained earnings)	61.9	64.4	66.9	+ 2.5
Non-controlling interests	4.7	2.9	2.9	- 0.0
Interest-bearing debt	175.1	187.0	184.1	- 2.8
D/E ratio	0.98	1.01	0.97	-
Net D/E ratio*	0.84	0.82	0.83	-

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

Summary of Results: Segment



(¥bn.)

	Net sales		Operating profit		
	Q1 FY 3/21	Q1 FY 3/22	Q1 FY 3/21	Q1 FY 3/22	YOY
Films and Functional Materials	36.3	45.7	3.9	6.8	+ 2.9
Mobility	6.8	11.1	-0.7	-0.5	+ 0.2
Lifestyle and Environment	22.9	27.7	0.3	1.5	+ 1.1
Life Science	6.3	7.5	1.0	1.9	+ 0.9
Real Estate and Others	3.1	2.6	0.5	0.4	- 0.1
Elimination & Corporate	-	-	-0.7	-0.8	- 0.1
Total	75.5	94.6	4.4	9.2	+ 4.9

Films and Functional Materials



(¥bn.)

	FY 3/21	FY 3/22	YOY	
	Q1	Q1	Amount	%
Net sales	36.3	45.7	+ 9.4	+26.0%
Operating profit	3.9	6.8	+ 2.9	+73.9%
(OPM)	10.8%	14.9%	-	-

Packaging film

- Demand from people staying at home continued amid the COVID-19 pandemic.
- Sales of some products decreased due to the fire accident.
- Impacted by rising raw materials prices.



Industrial film

- Sales of polarizer protective films for LCDs "COSMOSHINE SRF" increased by approx. 30% due to the full-fledged operation of the new line (Unit 3).
- Sales of mold releasing film for MLCC increased by approx. 25% due to the full-fledged operation of the new line (processing equipment).
- Absorption-type merger of TOYOBO FILM SOLUTIONS LIMITED (Apr. 1, 2021)

Functional Materials

- Sales of industrial adhesives "Vylon" were strong in Japan and overseas.

Mobility



(¥bn.)

	FY 3/21	FY 3/22	YOY	
	Q1	Q1	Amount	%
Net sales	6.8	11.1	4.3	+63.0%
Operating profit (OPM)	- 0.7	- 0.5	0.2	-
	-	-	-	-

- Sales performed strongly due to the recovery from the COVID-19 pandemic for automobile demand globally

Engineering plastics

- Sales recovered both in Japan and overseas.

Airbag fabrics

- Faced challenges as a result of the decreasing spread between raw material prices and sales prices due to the sudden rise of raw material prices despite the recovery of sales.

Lifestyle and Environment



(¥bn.)

	FY 3/21	FY 3/22	YOY	
	Q1	Q1	Amount	%
Net sales	22.9	27.7	4.8	+ 21.1%
Operating profit	0.3	1.5	1.1	+ 338.0%
(OPM)	1.5%	5.4%	-	-

Environmental solutions

- Volatile organic compound (VOC) emissions treatment equipment faced challenges due to a temporary decrease in orders because of the COVID-19 pandemic.

Nonwoven fabrics

- Sales of spunbond grew, but were affected by the high cost of raw materials.
- Sales of functional filters decreased for masks, but were strong for air purifiers and automobile-related products.

Functional fiber materials

- Polyester staple fibers were affected by the high cost of raw materials.
- In high-performance fibers, sales of "IZANAS" for use in fishing line and ropes and "Tsunooqa" used in cut resistant gloves were strong.

Textiles

- Due to factors such as sluggish store sales because of the COVID-19 pandemic, sales for sports, uniforms and traditional Arabic fabric did not recover.

(¥bn.)

	FY 3/21	FY 3/22	YOY	
	Q1	Q1	Amount	%
Net sales	6.3	7.5	+ 1.1	+ 18.0%
Operating profit	1.0	1.9	+ 0.9	+ 86.6%
(OPM)	15.7%	24.9%	-	-

Biotechnology

- Sales of raw materials and reagents for PCR testing, and genetic testing equipment and diagnostic reagents grew.

Medical materials

- Sales of artificial kidney hollow fiber were strong.

Pharmaceuticals

- The contract manufacturing business of pharmaceuticals was sluggish due to the impact of temporary operational suspension for compliance with Good Manufacturing Practice (GMP).



Forecasts for FY 3/22

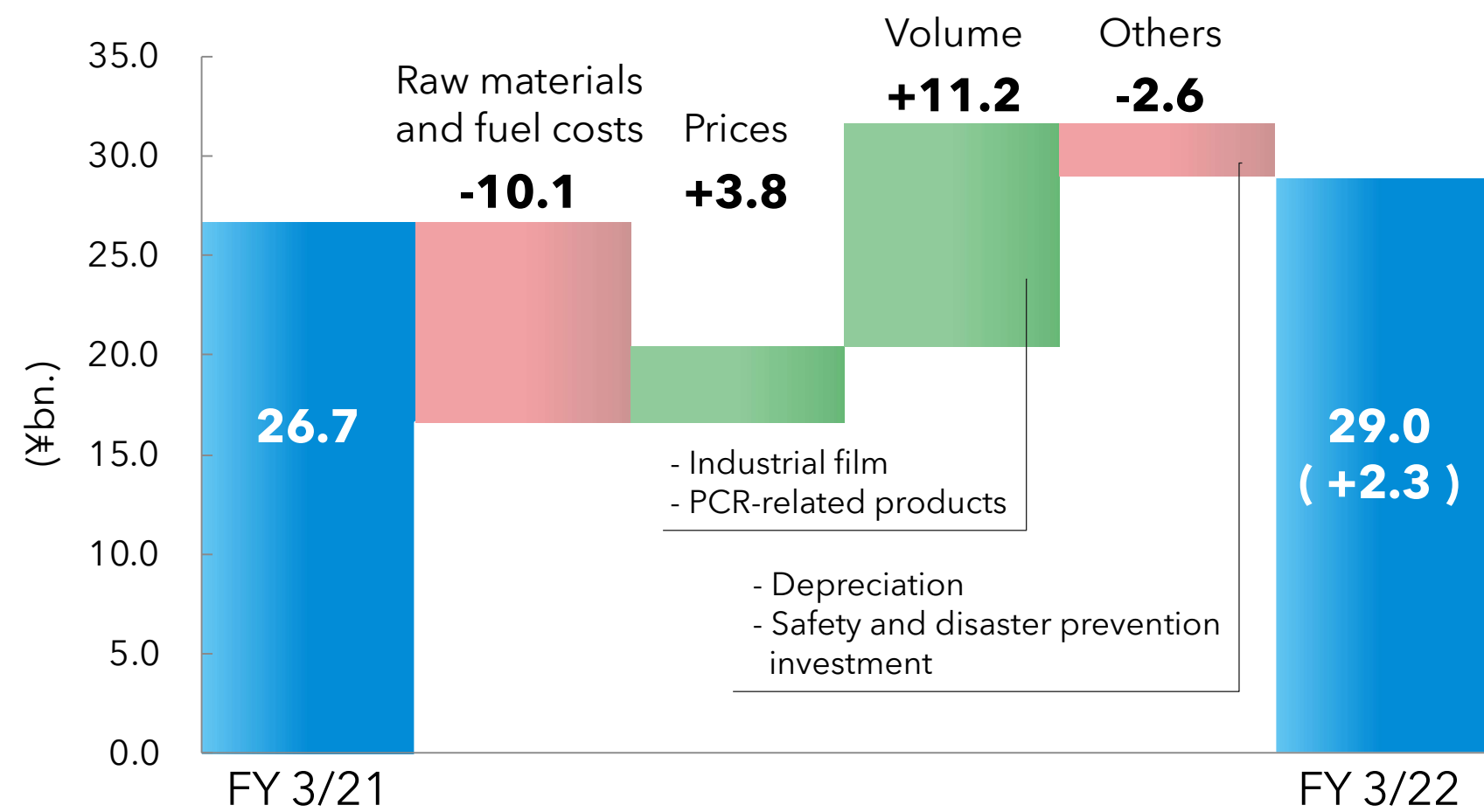


Operating profit was revised upward to ¥29.0 bn as industrial films and reagents for PCR testing performed strongly despite concerns regarding the impact of rising raw material and fuel prices. Net profit is forecasted to be ¥13.0 bn.

(¥bn.)

	FY 3/21	FY 3/22	YOY		Previous forecasts (May. 2021)
	result	forecasts	Amount	%	
Net sales	337.4	365.0	+ 27.6	+ 8.2%	360.0
Operating profit	26.7	29.0	+ 2.3	+ 8.8%	27.0
(Ratio to sales)	7.9%	7.9%	-	-	7.5%
Ordinary profit	20.7	24.0	+ 3.3	+ 15.9%	22.0
Extraordinary income and losses	- 15.1	- 5.2	-	-	- 5.0
Profit attributable to owners of parent	4.2	13.0	+ 8.8	-	11.5
EBITDA	45.8	49.0	+ 3.2	+7.1%	47.0
EPS (¥)	47.3	146.3	-	-	129.5
Depreciation	19.1	20.0	+ 0.9	+ 4.7%	20.0
CAPEX	23.3	31.0	+ 7.7	+ 33.3%	31.0
Dividend (¥)	40.0	40.0	-	-	40.0

Analysis in Changes in Operating Profit



	FY 3/21	FY 3/22
Exchange rate (¥/US\$)	106	110
Naphtha price in Japan (thousand¥/kl)	31	52

Previous forecasts (May. 2021)
 105
 44

Forecasts by Segment



(¥bn.)

	Net sales		Operating profit			Previous forecasts (May. 2021)
	FY 3/21 result	FY 3/22 forecasts	FY 3/21 result	FY 3/22 forecasts	YOY	
Films and Functional Materials	152.8	170.0	20.0	20.3	+ 0.3	20.0
Mobility	36.6	40.0	- 1.6	- 1.0	+ 0.6	- 1.4
Lifestyle and Environment	109.1	113.0	4.4	5.2	+ 0.8	4.6
Life Science	27.1	30.0	4.5	6.0	+ 1.5	5.3
Real Estate and Others	11.8	12.0	2.3	2.3	- 0.0	2.3
Elimination & Corporate	-	-	- 3.0	- 3.8	- 0.8	- 3.8
Total	337.4	365.0	26.7	29.0	+ 2.3	27.0

Prevent recurrence of cases of misconduct concerning quality



【Progress of cases of misconduct concerning quality】

- **Rescission of UL's certification for "PLANAC"** (Oct. 28, 2020)
- **Report regarding the results of investigation into misconduct involving "PLANAC"** (Dec. 29, 2020)
ISO9001 certification granted to the Engineering Plastics Operating Department was rescinded.
ISO9001 certification for the Functional Materials Production and Technology Department was temporarily suspended. (Jan. 28, 2021)
- **Rescission of UL's certification for "VYLOPET", "GLAMIDE", "PELPRENE"** (Feb. 3, 2021)
- **Newly established Quality Assurance Division as of April 1, 2021** (Feb. 25, 2021)
Placed Quality Assurance Department of each business division under the Quality Assurance Division.
Secured independence of Quality Assurance Department.
Strengthen checking functions of business divisions.
- **Rescission of UL's certification for some items of "VYLOAMIDE ", Toyobo PPS Resins and "GRILAX"** (Mar. 26, 2021)
- **Temporary suspension of ISO9001 certification granted to the Functional Materials Production and Technology Operating Department was lifted** (Jun. 9, 2021)

Completed investigation into cases of misconduct regarding UL-related products

Completed investigation into besides "PLANAC" by a law firm that does not have an advisory agreement or entrustment relationship with the Company and the committee comprising Outside Directors and Corporate Auditors

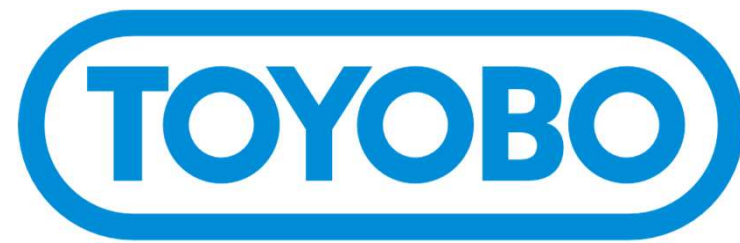
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Please Note

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.

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Appendix

Business performance



(¥bn.)

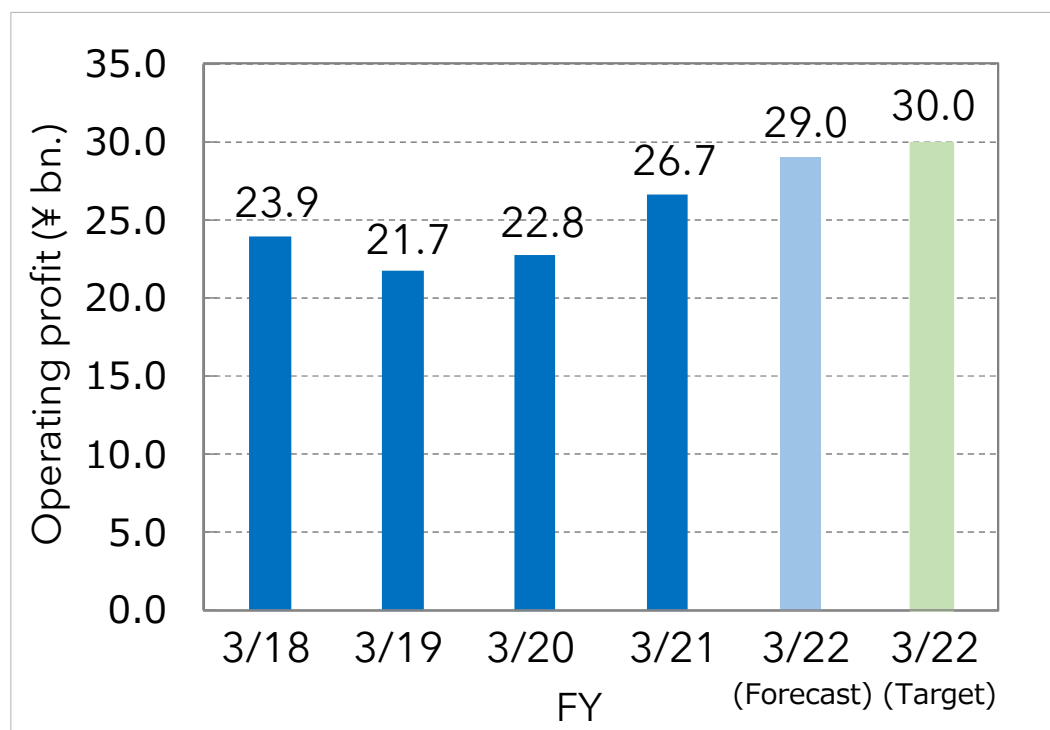
Net sales	FY 3/21					FY 3/22
	Q1	Q2	Q3	Q4	full year	Q1
Films and Functional Materials	36.3	37.5	39.2	39.8	152.8	45.7
Mobility	6.8	8.2	10.5	11.1	36.6	11.1
Lifestyle and Environment	22.9	27.3	27.1	31.9	109.1	27.7
Life Science	6.3	6.0	6.9	7.9	27.1	7.5
Real estate and Others	3.1	3.1	2.7	2.9	11.8	2.6
Elimination & Corporate	-	-	-	-	-	-
Total	75.5	82.1	86.4	93.5	337.4	94.6

Operating profit	FY 3/21					FY 3/22
	Q1	Q2	Q3	Q4	full year	Q1
Films and Functional Materials	3.9	4.8	5.6	5.7	20.0	6.8
Mobility	- 0.7	- 0.6	- 0.4	0.1	- 1.6	- 0.5
Lifestyle and Environment	0.3	1.4	1.2	1.4	4.4	1.5
Life Science	1.0	0.6	1.6	1.4	4.5	1.9
Real estate and Others	0.5	0.6	0.6	0.7	2.3	0.4
Elimination & Corporate	- 0.7	- 0.7	- 0.8	- 0.8	- 3.0	- 0.8
Total	4.4	6.1	7.9	8.4	26.7	9.2

2018 Medium-Term Management Plan

(Final year FY 3/22)

Assumptions have changed due to the fire accident, the spread of COVID-19, etc.



	FY 3/21	Targets
Net sales	337.4	375.0
Overseas sales ratio	33.0%	35.0%
Operating profit	26.7	30.0
(Ratio to sales)	7.9%	8.0%
Profit attributable to owners of parent	4.2	16.0
ROE	2.3	≥8.0
ROA	5.4	≥7.0
D/E ratio	1.01	<1.0

To achieve "zero waste" emission

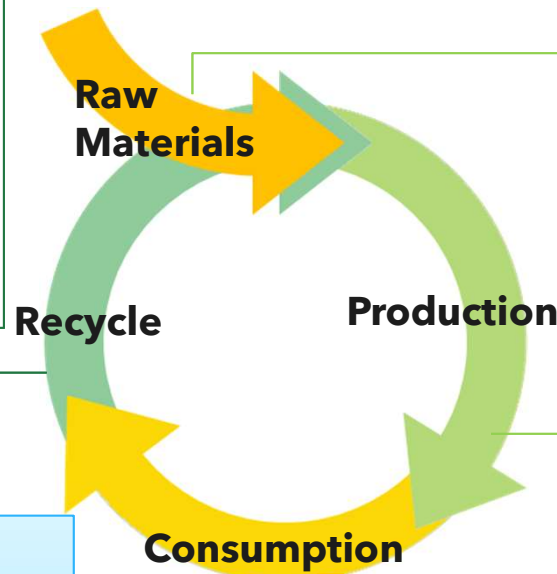
| Circular Economy



- **Material Recycling**
 - Polyester polymerization catalyst with superior recyclability
"TOYOBO GS Catalyst"
- **Chemical Recycling**
 - Support development for thermal pyrolysis of waste plastic to raw materials
R Plus Japan, Ltd.

Recycle

R Plus Japan, Ltd.
 Jointly established company that transcends industry
 Cooperation that transcends industry, such as packaging container manufacturers, trading companies and beverage manufacturers
 Aim for practical application in 2027



- **Biomass**
 - Resins from 100% biomass PEF
 - Uses approx. 20% plant-derived ingredients
"BIOPLANA"
- **Recycled resin**
 - Films made using over 80% recycled resin from beverage PET bottles
"CYCLE CLEAN"
- **Use of single materials**



Usage of "BIOPLANA"

- **Volume reduction, thickness reduction**
 - Film made thinner by 50% or more
"SPACECLEAN" (20μm←40μm)
"CYCLECLEAN" (12μm←30μm)

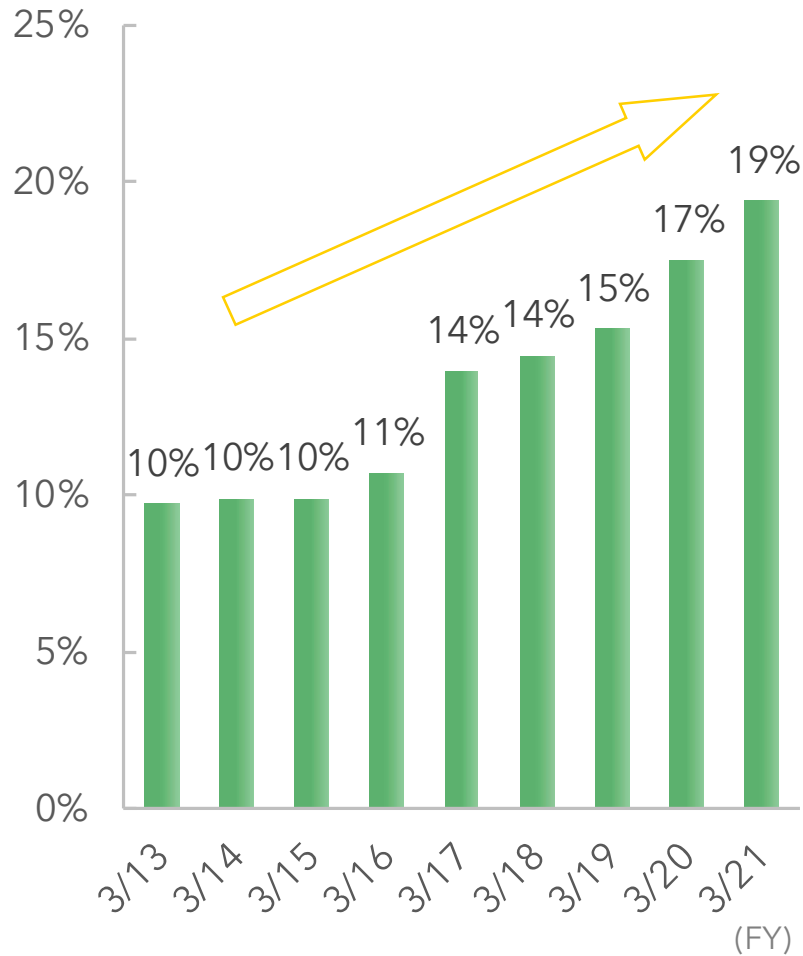


Reduce

Environmentally Conscious Packaging Film



Ratio of environmentally friendly products in sales of packaging films



“CYCLE CLEAN”

Volume reduction,
thickness reduction,
recycled resin

- For PET bottle labels

“SPACECLEAN”

Volume reduction,
thickness reduction

- For beverage labels
- Excellent low-temperature high shrinkability

“BIOPLANA” Biomass

“ECOSYAR”

- Transparent vapor deposition film.
Non-PVDC, non-aluminum foil
- Contribute to reducing food loss by extending food's best before date.
- For retort pouches, boiled foods, and dried foods
- Global demand of transparent vapor-deposited films grew by 10% annually.



Declaration to be carbon neutral by 2050

【FY 3/31 Targets】

Scope 1,2 : Reduce GHG emissions by 30%
(Compared to FY 3/14)

(further review going forward)

Results of reduction of GHG emissions 25.7% in FY 3/21

Introduction of fuel conversion, renewable energy, etc.

【FY 3/51 Targets】

Scope 1,2 : Aim for net zero GHG emissions

Volume of avoided GHG emissions >
Amount of GHG output in the Company's value chain

CO₂ separation membrane technology, bioplastics, etc.

Contribute to realizing carbon neutrality by provided various solutions

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