



# **Results of FY2024**

# **Outlook for FY2025**

---

**May 12, 2025**  
**Teijin Limited**

# Key points of the financial announcement

## Results of FY2024

- Adjusted operating income +¥5.6 billion (+25.7%), profit attributable to owners of parent turned positive, and ROE improved to 6.7%
- Profitability improvement in the Materials Business Field and good sales in the Fibers & Products Converting Business contributed significantly to these increase
- Annual dividend: Decided to be 50 yen per share as planned (an increase of 20 yen from the previous FY)

## Outlook for FY2025

- Adjusted operating income +¥7.4 billion (+26.8%)
- Increased profits in Materials Business Field and Healthcare Business
- Annual dividend: Forecast to be 50 yen per share (no change from FY2024)

# Contents

---

- 1 Results of FY2024**
- 2 Outlook for FY2025**
- 3 Priority measures for FY2025**
- 4 Supplementary information**

# Contents

---

## **1 Results of FY2024**

2 Outlook for FY2025

3 Priority measures for FY2025

4 Supplementary information

## FY2024 actual highlights [Compared with FY2023]

- Revenue increased by **¥45.0 billion**, adjusted operating income increased by **¥5.6 billion**
- The implementation of a business portfolio transformation measure (the sale of INFOCOM) resulted in an increase of **¥40.1 billion** in profit attributable to owners of parent and a significant improvement in ROE to **6.7%**

(Billions of Yen)	FY23	FY24	Difference	% Change	(ref.)FY24 Outlook
Revenue	960.5	1,005.5	✓ +45.0	+4.7%	1,010.0
Adjusted operating income	22.0	27.6	✓ +5.6	+25.7%	28.0
Financial income and costs	▲ 5.5	▲ 7.3	-1.8	-	-
Non-recurring items	▲ 25.4	▲ 94.7 <sup>*3</sup>	-69.3	-	-
Others	▲ 9.5	▲ 3.3	+6.2	-	-
Profit from discontinued operations	6.7	106.1 <sup>*4</sup>	+99.3	-	-
Profit attributable to owners of parent	▲ 11.7	28.3	✓ +40.1	-	25.0
ROE <sup>*1</sup>	-2.9%	✓ 6.7%	+9.7%	-	6%
ROIC <sup>*2</sup>	1.8%	2.6%	+0.8%	-	3%
PL exchange rate	Yen/US\$	145	153		
	Yen/Euro	157	164		
An average Dubai crude oil price (US\$/barrel)	82	78			
An average Europe natural gas price (Euro/MWh)	35	41			

\*1 ROE = [Profit (loss) attributable to owners of parent] ÷ [Average of the equity attributable to owners of parent as of the beginning and the end of the FY]

\*2 ROIC = [Adjusted operating income after tax] ÷ [Average of invested capital as of the beginning and the end of the FY]  
(Invested capital = [Capital] + [Interest-bearing liabilities])

\*3 Impairment losses on the composites business (North America in 2Q) and impairment losses on the Healthcare Business (4Q), etc.

\*4 Including a profit from sale of INFOCOM shares, etc.

## FY2024 actual highlights [Compared with FY2023] | **By segment**

- Revenue increased by **¥45.0 billion**, with the Materials and Fibers & Products Converting Business in particular serving as drivers
- Adjusted operating income increased by **¥5.6 billion** mainly due to profitability improvement in the composites business in the Materials Business, as well as increase in the sales volume of the resin & plastic processing business and strong sales in the Fibers & Products Converting Business

(Billions of Yen)	Revenue				Adjusted operating income			
	FY23	FY24	Difference	%change	FY23	FY24	Difference	%change
<b>Materials</b>	439.2	<b>459.3</b>	+20.1	+4.6%	(1.7)	<b>6.0</b>	+7.8	-
<b>Fibers &amp; Products Converting</b>	321.7	<b>351.9</b>	+30.2	+9.4%	13.0	<b>17.8</b>	+4.9	+37.5%
<b>Healthcare</b>	144.7	<b>137.0</b>	-7.7	-5.3%	18.2	<b>5.7</b>	-12.5	-68.7%
<b>Others</b>	54.8	<b>57.3</b>	+2.4	+4.4%	1.1	<b>7.1</b>	+6.0	+554.0%
<b>Elimination and Corporate</b>	-	-	-	-	(8.6)	<b>(9.0)</b>	-0.5	-
<b>Total</b>	960.5	<b>1,005.5</b>	✓ +45.0	+4.7%	22.0	<b>27.6</b>	✓ +5.6	+25.7%

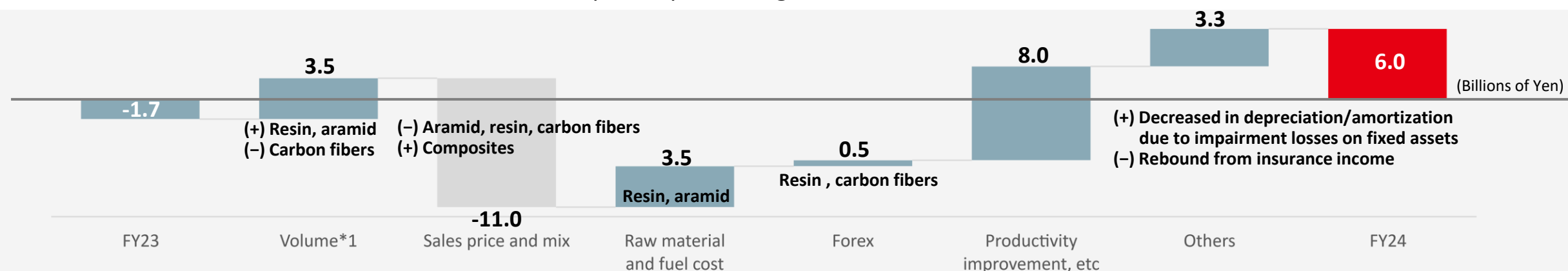
## Analysis of adjusted operating income by segment [Compared with FY2023]

## Materials

**Revenue** ¥459.3 billion (+¥20.1billion compared with FY23)

**AOI** ¥6.0 billion (+¥7.8 billion compared with FY23)

- Adjusted operating income increased mainly due to the appearance of profitability improvement measures in the composites business and an increase in the sales volume in the resin & plastic processing business



## Aramid

## Resin

## Carbon fibers

## Composites

(+)

- Increase in sales volume  
Recovery trend for various application
- Decrease in raw material and fuel prices

- Increase in sales volume  
Mitigation of inventory adjustments on customer side for mainly office equipment applications
- Decrease in raw material and fuel prices

- Increase in sales volume  
For aircraft applications

- Appearance of profitability improvement measures  
Selling price revision, productivity improvement
- Recovery from equipment failure/impact of the UAW\*2 strike
- Decrease in depreciation/amortization  
Impairment losses on fixed assets, etc.

(-)

- Decrease in selling price  
For optical fiber cables applications, etc.
- Rebound from insurance income recorded in FY2023

- Decrease in selling price (spread deteriorated)

- Decrease in sales volume  
For industrial applications
- Deterioration in capacity utilization  
Production adjustment, unscheduled operational suspension for maintenance
- Decrease in selling price  
For industrial, recreation applications

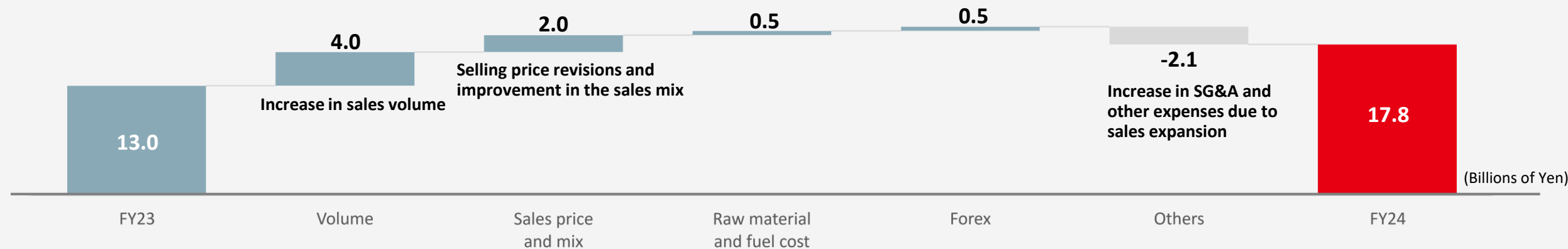
## Analysis of adjusted operating income by segment [Compared with FY2023]

## Fibers and Products

**Revenue** ¥351.9 billion (+¥30.2 billion compared with FY23)

**AOI** ¥17.8 billion (+¥4.9 billion compared with FY23)

- Strengths : Combination of the foundation of the global supply chain as a trading company and the R&D and production systems as a manufacturer to meet all customer needs.
- Storing sales in both fiber materials and apparel and industrial materials



(+)

## • Increase in sales volume

Fiber materials and apparel: Sales in both textile and apparel products for North American and Chinese market, and apparel in Japan

Industrial materials: Sales in polyester staple fibers for water treatment filters, artificial leather, and household merchandise

## • Revisions of selling price and improvement in the sales mix

(-)

## • Increase in SG&amp;A and other expenses due to sales expansion

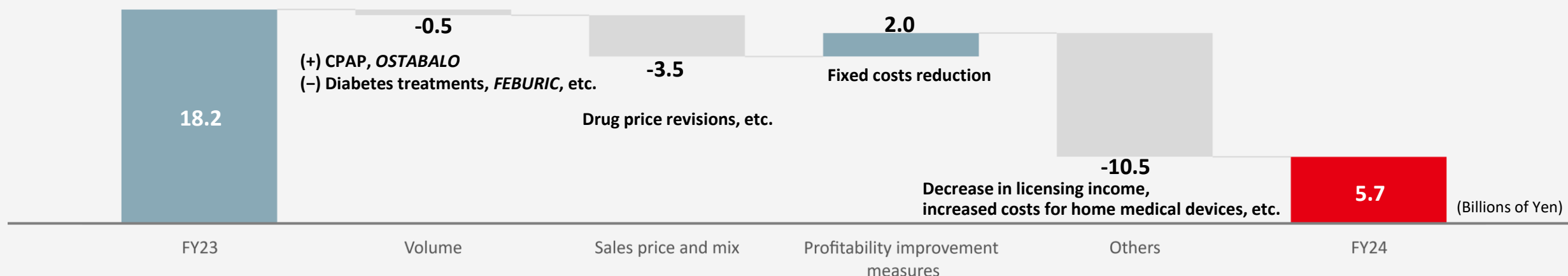


# Analysis of adjusted operating income by segment [Compared with FY2023] | Healthcare

**Revenue** ¥137.0 billion (-¥7.7 billion compared with FY23)

**AOI** ¥5.7 billion (-¥12.5 billion compared with FY23)

- Adjusted operating income decreased due to the increased device costs resulting from an increased number of rented CPAP devices, decreased in license income, and the impact of drug price revisions



(+)

- **Increase in the number of rented CPAP devices**  
Increase in the number of new prescriptions resulting from the growing number of examinations
- **Increase in sales volume of *OSTABALO***
- **Decrease in fixed costs due to the promotion of business structure transformation**

(-)

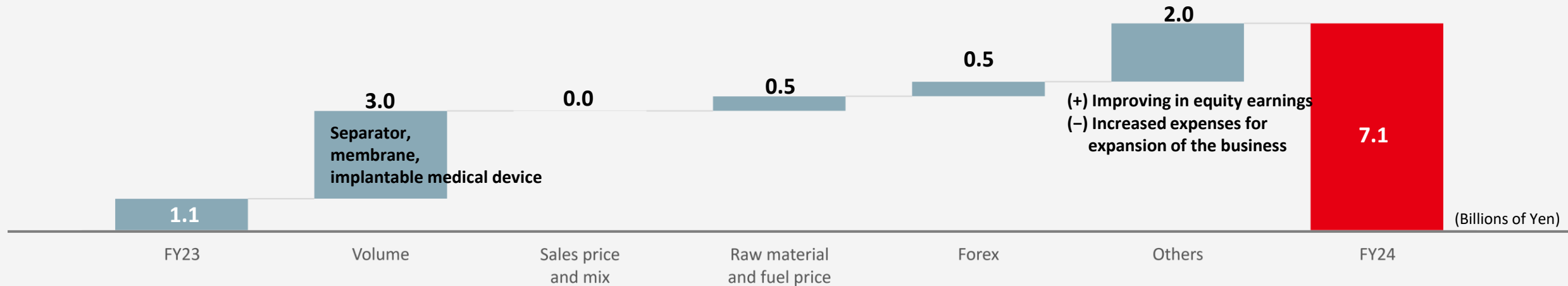
- **Decrease in sales volume of pharmaceuticals**  
Diabetes treatments, *FEBURIC*, etc.
- **Impact of drug price revisions**
- **Decrease in license income**
- **Increase in cost of introduction of new CPAP devices and an increased use of expendables**

# Analysis of adjusted operating income by segment [Compared with FY2023] | Others

**Revenue** ¥57.3 billion (+¥2.4 billion compared with FY23)

**AOI** ¥7.1 billion (+¥6.0 billion compared with FY23)

- Adjusted operating income increased due to the strong sales of separator, membrane, and implantable medical device



(+)

- Strong sales**  
Separator (electronic devices), membrane (semiconductor related), and implantable medical device
- Improvement in equity earnings**

(-)

- Increase in expenses mainly for expansion of the business**  
Regenerative medicine, implantable medical device

## Finance income and costs, Non-recurring items [Compared with FY2023]

### Finance income and costs

- Slightly deteriorated due to the disappearance of the effects of the depreciation of the yen in the previous FY, despite a decrease in interest expenses

(Billions of Yen)	FY23	FY24	Difference
Interest income	2.6	2.9	+0.3
Dividends income	1.0	0.6	-0.4
Gain on valuation of derivatives	9.2	-	-9.2
Others	0.1	0.6	+0.5
Finance income, total	12.9	4.1	-8.8
Interest expenses	(11.2)	(10.4)	✓ +0.7
Foreign exchange losses	(5.9)	(0.3)	+5.6
Loss on valuation of derivatives	(1.0)	(0.4)	+0.6
Others	(0.3)	(0.3)	+0.1
Finance costs, total	(18.4)	(11.4)	+7.0
Finance income and costs, total	(5.5)	(7.3)	✓ -1.8

\*Gain is shown as a plus sign (+), loss is shown as minus sign (-)

### Non-recurring items

- Impairment losses recorded  
Composites business in North America(2Q) and diabetes treatments in the Healthcare Business (4Q)

(Billions of Yen)	FY23	FY24	Difference
Gain on sales of noncurrent assets	0.3	10.6	+10.3
Reversal of impairment losses	-	0.1	+0.1
Insurance claim income	7.1	-	-7.1
Loss on disposal of fixed assets	(1.9)	(2.5)	-0.6
Impairment loss	(27.3) <sup>*1</sup>	✓ (95.2) <sup>*2</sup>	-67.9
Loss on disaster	(1.7)	-	+1.7
Others	(1.9)	(7.7) <sup>*3</sup>	-5.8
Non-recurring items, total	(25.4)	(94.7)	-69.3

\*1 Composites business in North America and China, etc.

\*2 Composites business in North America (¥60.2 billion), diabetes treatments in the Healthcare Business (¥28.0 billion), Carbon fibers business (¥3.1 billion), J-TEC (¥1.1 billion), etc.

\*3 Including special retirement benefits relate to Early Retirement Incentive Program

## Financial position [Compared with the end of FY2023]

- Total assets was decreased compared to the end of the previous FY

The impact of impairment losses on fixed assets in the composites business in North America and Healthcare Business, etc.

- Liabilities was decreased compared to the end of the previous FY

A portion of interest-bearing debt was repaid with funds obtained from the sale of INFOCOM (resulted in an improvement in the Debt-to-equity ratio to 0.77)

(Billions of Yen)		Mar. 31, 2024	Mar. 31, 2025	Difference	Impact of foreignexchange rate
Total assets		1,226.6	1,061.3	✓ -165.3	-3.4
Liabilities		789.9	622.7	✓ -167.1	+0.0
[Interest-bearing debt]		516.9	387.1	✓ -129.8	+0.5
Net assets		436.8	438.5	+1.8	-
D/E ratio <sup>*1</sup>		1.26	0.90	-0.36	-
D/E ratio (Capital adjustment) <sup>*2</sup>		1.11	✓ 0.77	-0.33	-
BS exchange rate	Yen/US\$	151	150		
	Yen/Euro	163	162		

\*1 D/E ratio = Interest-bearing debt / Equity attributable to owners of parent (Gross)

\*2 D/E ratio taking into account the equity credit of the subordinated bonds  
(The Company issued subordinated bonds of ¥60.0 billion on July 21, 2021)

## Cash flows [Compared with the end of FY2023]

- Cash flow from investing activities increased due to the implementation of business portfolio transformation measures (the sale of INFOCOM)
- Cash flow from financing activities decreased as proceeds from the sale of Infocom were used to repay interest-bearing debt

(Billions of Yen)	FY23	FY24	Difference
Operating activities	80.6	69.8	-10.8
Investing activities	(56.6)	52.5	✓ +109.1
Free cash flow	24.0	122.4	+98.3
Financing activities	(41.1)	(138.0)	✓ -96.9
Net inc/dec in Cash & cash equivalents	(17.1)	(15.7)	+1.4

# Contents

---

1 Results of FY2024

**2 Outlook for FY2025**

3 Priority measures for FY2025

4 Supplementary information

## Assumptions | Trend of the Company's main target markets [FY2025]

Industrial sector		Mainly related business	Macro environment (Reciprocal tariff impacts are not reflected)
Mobility	Automotive	Materials in general Fibers and Products	The European and Chinese markets will continue to low growth due to the sluggish economies, but the Chinese EV market will continue to grow The Japanese automotive market is predicted to recover (from last year's sluggish condition mainly due to the certification scandal and the Noto Earthquake, etc.)
	Aircraft	Materials (Carbon fibers)	Constantly growing, and the build rate is also increasing
Infrastructure & Industrial	Infrastructure	Materials (Aramid) Fiber and Products	The optical fiber market will expand due to demand for products for data centers and 5G communications, etc. The market for water treatment products will remain firm due to demand for wastewater treatment and desalination, etc.
	Electrical and electronic equipment	Materials (Resin) New Business (Separator)	The office equipment market will remain sluggish The electronic device market will remain firm
Healthcare		Pharmaceuticals	Despite an accelerated shift to generic drugs, there is high demand for medical treatments in the rare and intractable diseases
		Medical devices	Demand for home healthcare will continue to grow

## Summary of outlook for FY2025 highlights [Compared with FY2024]

- Revenue is forecast to decrease by **¥145.5 billion** (the impact of withdrawal of composites business in North America), adjusted operating income is forecast to increase by **¥7.4 billion**
- Annual dividend is forecast to be 50 yen (Interim: 25 yen, Year-end: 25 yen) per share (no change from the previous FY)
- The likely impacts of the U.S. tariff policy are not yet reflected in these forecast values (while an examination is under way based on the policy's indirect impacts and the Company's measures)

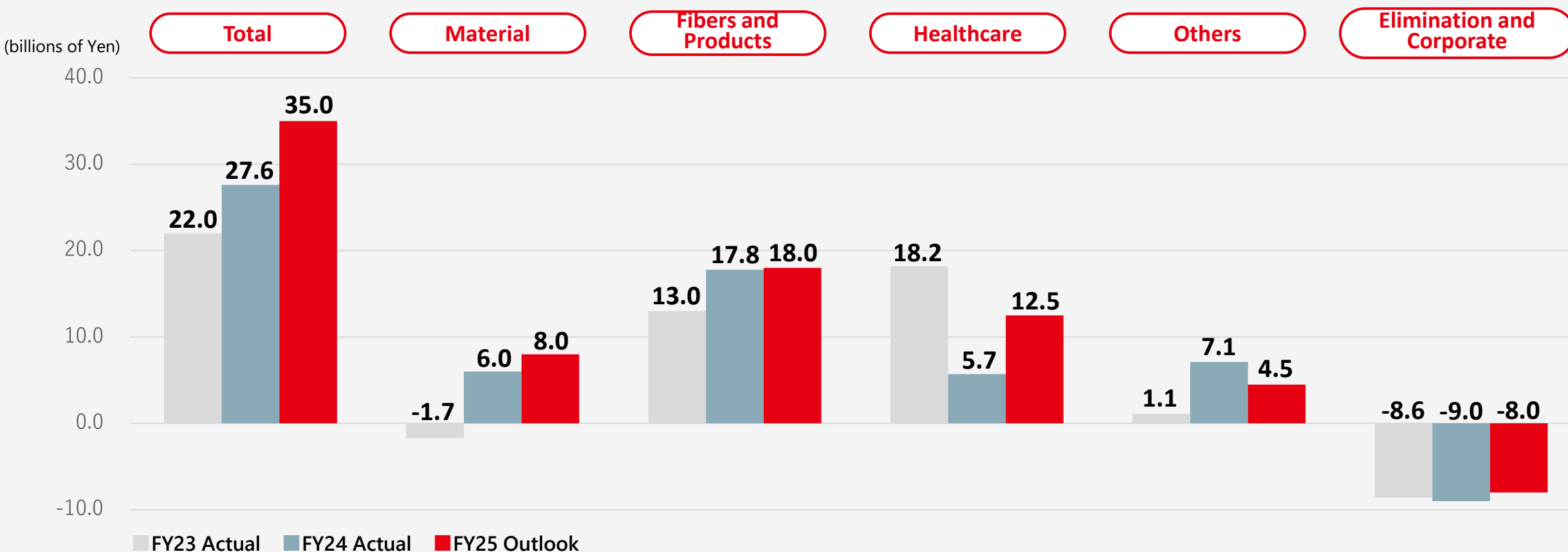
(Billions of Yen)		FY24 Actual	FY25 Outlook	Difference	% Change
Revenue		1,005.5	860.0	✓ -145.5	-14.5%
Adjusted operating income		27.6	35.0	✓ +7.4	+26.8%
Profit attributable to owners of parent		28.3	12.0	-16.3	-57.7%
ROE		6.7%	3%	-4%	-
ROIC		2.6%	3%	+0%	-
D/E ratio		0.90	1.0	+0.1	-
D/E ratio (capital adjustment) <sup>*1</sup>		0.77	0.8	+0.0	-
Dividends per share (Yen)		50	✓ 50	0	-
Dividend Payout Ratio		34%	80%	-	-
PL exchange rate	Yen/US\$	153	145		
	Yen/Euro	164	155		
An average Dubai crude oil price (US\$/barrel)		78	73		
An average Europe natural gas price (Euro/MWh)		41	40		

<sup>\*1</sup> D/E ratio taking into account the equity credit of the subordinated bonds (The Company issued subordinated bonds of ¥60.0 billion on July 21, 2021)



## Analysis of changes in adjusted operating income by segment [Compared with FY2024]

- Adjusted operating income is forecast to increase by ¥7.4 billion compared to FY2024 (progress in profitability improvement measures)
- Due to growth in the number of rented CPAP devices and the full year effects of fixed-cost reduction measures in the Healthcare Business and cost structure reforms in the Materials Business Field



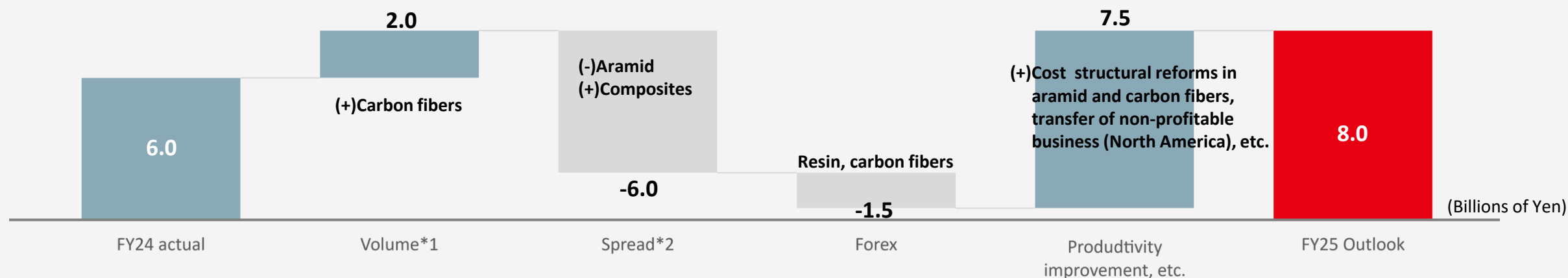
## Analysis of adjusted operating income by segment [Compared with FY2024]

## Materials

**Revenue** ¥320.0 billion (-¥139.3 billion compared with FY24)

**AOI** ¥8.0 billion (+¥2.0 billion compared with FY24)

- Adjusted operating income will increase mainly due to cost structure reforms in the aramid and carbon fibers businesses and withdrawal from the composites business in North America



## Aramid

## Resin

## Carbon fibers

## Composites

(+)

- Cost structural reforms**  
Cost reduction through production optimization
- Increase in sales volume**  
Various applications

- Sales volume to be maintained**  
A decrease in office equipment will be offset by automotive and optical products
- Decrease in raw material and fuel prices**

- Increase in sales volume**  
For aircraft applications
- Cost structural reforms**  
Cost reduction through production optimization

- Selling price revision (Europe)**
- Withdrawal from a non-profitable business (North America)**

(-)

- Decrease in selling price**  
Impact will be smaller than last FY
- Decrease in capacity utilization**  
Periodic maintenance and production adjustment

- Decrease in selling price (spread remaining at last year's level)**
- Impact of exchange fluctuation**

- Impact of exchange fluctuation**

# Analysis of adjusted operating income by segment [Compared with FY2024] | **Fibers and Products**

**Revenue** ¥350.0 billion (-¥1.9 billion compared with FY24)

**AOI** ¥18.0 billion (+¥0.2 billion compared with FY24)

- In industrial materials, sales will increase mainly in automotive products, while sales in fiber materials and apparel will also remain firm, thereby ensuring that adjusted operating income will remain at last year's level based on the robust business platform



\*1 Selling price and mix + raw material and fuel cost

(+)

- **Increase in sales volume**

Industrial materials: Automotive related materials, polyester staple fibers for water treatment filters, and household merchandise

- **Selling price revisions**

(-)

- **Decrease in sales volume**

Fiber materials and apparel: textiles and apparel products for Chinese market

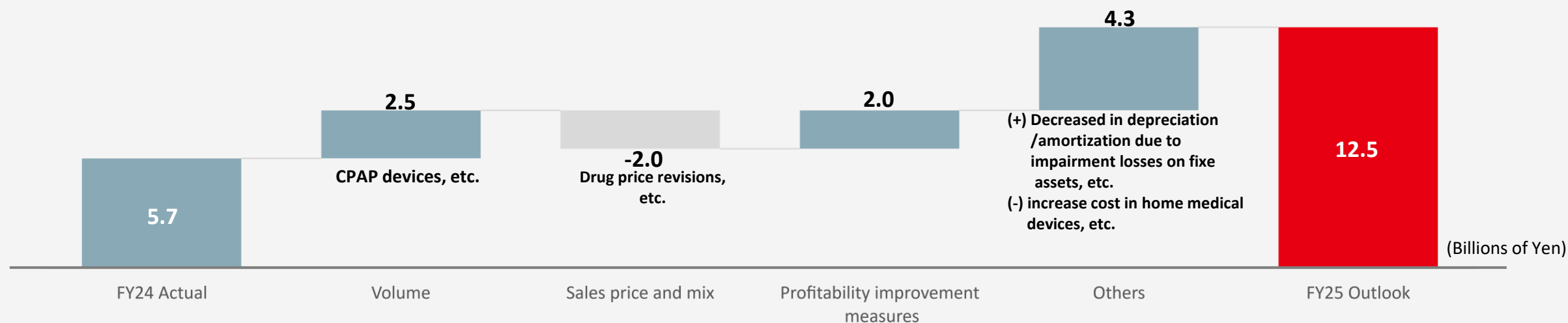
- **Increase in SG&A and other expenses due to sales expansion**

# Analysis of adjusted operating income by segment [Compared with FY2024] | Healthcare

**Revenue** ¥135.0 billion (-¥2.0 billion compared with FY24)

**AOI** ¥12.5 billion (+¥6.8 billion compared with FY24)

- Adjusted operating income will increase mainly due to growth in the number of rented CPAP devices, the full year effects of fixed-cost reduction measures, and a decrease in depreciation/amortization due to impairment losses



(+)

- Increase in the number of rented CPAP devices and sales of *OSTABALO*
- Fixed-cost reduction through the promotion of a shift to a new business structure
- Decrease in depreciation/amortization  
impairment losses on fixed assets, etc.

(-)

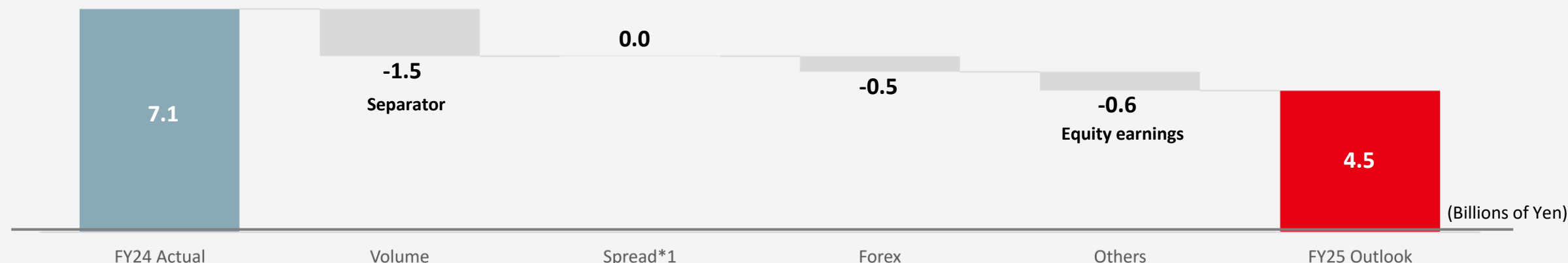
- Decrease in sales volume of pharmaceuticals  
Diabetes treatments, *FEBURIC*, etc.
- Impact of drug price revisions
- Cost increase due to the introduction of new CPAP devices and an increased use of expendables

# Analysis of adjusted operating income by segment for Others [Compared with FY2024]

**Others**
**Revenue**
**¥55.0 billion** (-¥2.3 billion compared with FY24)

**AOI**
**¥4.5 billion** (-¥2.6 billion compared with FY24)

- Due to a decrease in sales volume of separator (sales were strong but decreased compared to the previous FY) and a decrease in equity earnings
- As part of its efforts toward business portfolio transformation, transferring the functional food ingredients business and Teijin Nakashima Medical (limited impact on adjusted operating income)



\*1 Selling price and mix + raw material and fuel cost

(+)

(-)

- Decrease in sales volume  
Separator (electronics device)
- Equity earnings

# Contents

---

1 Results of FY2024

2 Outlook for FY2025

**3 Priority measures for FY2025**

4 Supplementary information

## Priority measures for FY2025 (initiatives for improving PBR)

- Significant progress has been made in implementing strategic options to focus on the key businesses and strengthening the global management base
- Aim to achieve ROE of 10% or more and PBR of 1.0 or more by speeding up our efforts to improve business profitability and materialize growth strategies

### Improving ROE

	Measures taken up to FY2024	Priority measures for FY2025
Profitability	<ul style="list-style-type: none"> <li>■ Completing the reforms for profitability improvement (Composites, aramid, Healthcare)</li> <li>■ Executing strategic options for underperforming businesses</li> </ul>	<ul style="list-style-type: none"> <li>■ Aramid and carbon fibers: Quickly implementing profitability improvement measures in response to new challenges arising from changes in the external environment</li> <li>■ Healthcare: Continuing to promote a shift to a new business structure and reduce costs</li> </ul>
Asset efficiency	<ul style="list-style-type: none"> <li>■ Executing strategic options for less-focused businesses</li> <li>■ Reducing cross-shareholdings and promoting sale of idle assets</li> <li>■ Streamlining the balance sheet through global cash pooling</li> <li>■ +20 yen to the annual dividend per share in FY2024</li> </ul>	<ul style="list-style-type: none"> <li>■ Ensuring that each business will improve its progress in achieving the targets for ROIC and Cash Conversion Cycle</li> <li>■ Continuing to reduce cross-shareholdings and sell idle assets</li> <li>■ Providing constant and stable shareholder returns</li> </ul>
Financial position	<ul style="list-style-type: none"> <li>■ Improving the D/E ratio by repaying borrowings</li> </ul>	<ul style="list-style-type: none"> <li>■ Exploring the optimal capital composition based on the next Medium-Term Management Plan</li> </ul>

### Improving PER

	Measures taken up to FY2024	Priority measures for FY2025
Building expectations for medium- to long-term growth	<ul style="list-style-type: none"> <li>■ Implementing measures with a strong commitment to the stock market (including implementing business portfolio transformation, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>■ Materializing growth strategies <ul style="list-style-type: none"> <li>✓ Shifting to a value-driven business structure (expanding successful models) (promoting downstream business, incorporating peripheral areas, reorganizing the industry, etc.)</li> </ul> </li> </ul>
Strengthening the global management base	<ul style="list-style-type: none"> <li>■ Promoting the purpose-focused initiative (ensuring that the concept of “My Action” permeates all the staff)</li> <li>■ Deciding to shift to a company with an audit and supervisory committee</li> <li>■ Appointing a CTO and a CDO* hired from outside labor market</li> <li>■ Promoting human capital strategies (including adopting a job posting system, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>■ Exploring the optimal organizational structure based on the strategic options executed in FY2024 and the next Medium-Term Management Plan (including optimizing Group-wide functions, etc.)</li> </ul>

## Recovery of Fundamental Profitability      Progress and Current Status

### Aramid

FY2022  
to  
FY2023

- Stabilized the business performance by recovering from the fire, improving profitability, and building a system for a stable supply

Second  
half of  
FY2023  
to  
FY2024

- Changes in the external environment were more significant than expected
  - ✓ Market growth temporarily slowed (in Europe and other regions)
  - ✓ The increased production capacities of competitors relaxed the supply-demand balance

### Carbon fibers

FY2022  
to  
FY2023

- Increased our production capacity by operating a new plant in North America
- Sales of aircraft applications gradually recovered after the COVID pandemic came to an end

Second  
half of  
FY2023  
to  
FY2024

- The external environment deteriorated
  - ✓ Demand for some industrial products (including wind power generation) declined
  - ✓ Increasingly heightened competition caused an oversupply and price dropping

FY2025

**We have determined that we need to implement profitability improvement measures, including reviewing our current production structure, in addition to the measures in the current Medium-Term Management Plan (We will completely implement them with an unwavering resolve by fully utilizing the knowledge and practical capabilities we have so far developed by overcoming drastic environmental changes)**



## Recovery of Fundamental Profitability    Taking Speedy Actions to Enhance Profitability

Execute speedy to enhance profitability by forming a special action team that comprises members from both the corporate and business divisions

### Aramid

#### Cost structure reforms

- Reviewing the production structure in the Netherlands
- Optimizing the production bases, reducing the staff, and adopting other measures to reduce fixed costs (integrate Arnhem plant [special types of pulp] into another plant as the first measure)
- Conducting a radical review of the R&D, sales, and head-office functions

Accelerating the development of new applications (including intercontinental power cables)

### Carbon fibers

Reducing the scale of production by withdrawing from less-profitable businesses

#### Cost structure reforms

- Exploring the optimal production structures for the Japanese, European, and American bases
- Reviewing the staff, R&D investments, and indirect costs

Capturing firm demand for aircraft applications and promoting the development of intermediate materials

### Implementation and monitoring systems

Forming a special action team that comprises members from both the corporate and business divisions to make a full commitment to additional improvement measures

Setting milestones and KPI and monitoring monthly by application and by region

## Achievements and Future Direction in Business Portfolio Transformation

### Basic principles

- If **we determine that we are not the best owner** of a business from the perspectives of synergy, capability, and resource allocation, or if **we determine that it is difficult to position a business as a future pillar** for the Teijin Group from various perspectives, including business stability and growth potential, we will promptly **divest** that business
- We will promote the **growth and expansion** of the businesses we select according to a **customer-centered business model**, which focuses on providing value and services that help customers solve challenges they face

### Achievements to date

- Almost completed measures for underperforming and less-focused businesses

#### INFOCOM

Transfer date: October 22, 2024  
Transfer price: ¥134.4 billion

#### Composites business in North America

Transfer date: Scheduled for May 2025  
Transfer price: Undisclosed

#### Implantable medical device

Transfer of Teijin Nakashima Medical  
(transfer agreement signed in  
April 2025)

#### Functional food

Transfer of functional food ingredients  
business  
(scheduled for 1Q of FY2025)

### Future direction

- Examining the possibility of shifting to a customer-centered business model in each business by promoting the downstream business, incorporating peripheral areas, reorganizing the industry, etc.
  - ✓ **Promoting the downstream business:** Shifting our focus to the downstream business in the key markets
  - ✓ **Incorporating peripheral areas:** Expanding our product lineup through M&A
  - ✓ **Reorganizing the industry:** Improving management resource efficiency and expanding scale and market share
- Identifying businesses fitting customer-centered model and **allocating resources to those businesses preferentially**
- Adopting each **business unit basis concentration-and-selection approach** based on ROIC

Specific measures will be disclosed in the next Medium-Term Management Plan, which will be announced in May 2026

# Contents

---

1 Results of FY2024

2 Outlook for FY2025

3 Priority measures for FY2025

**4 Supplementary information**

## Financial soundness and shareholder return policy

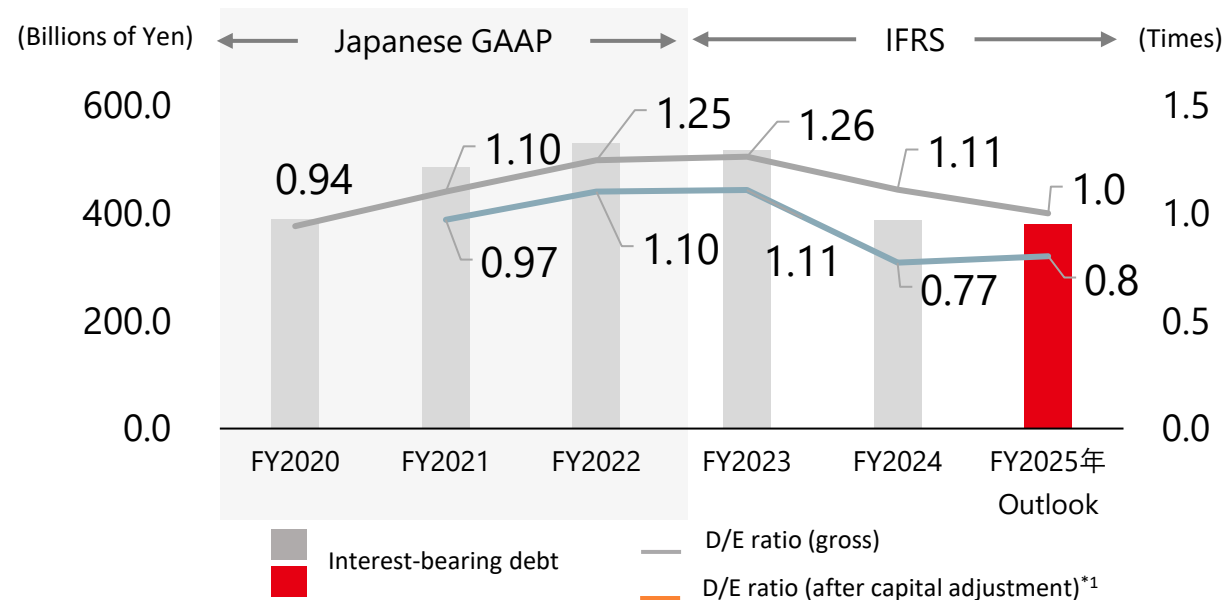
### Financial soundness

- Debt-to-equity ratio is expected to remain at around 0.8 times, the same level as the previous FY

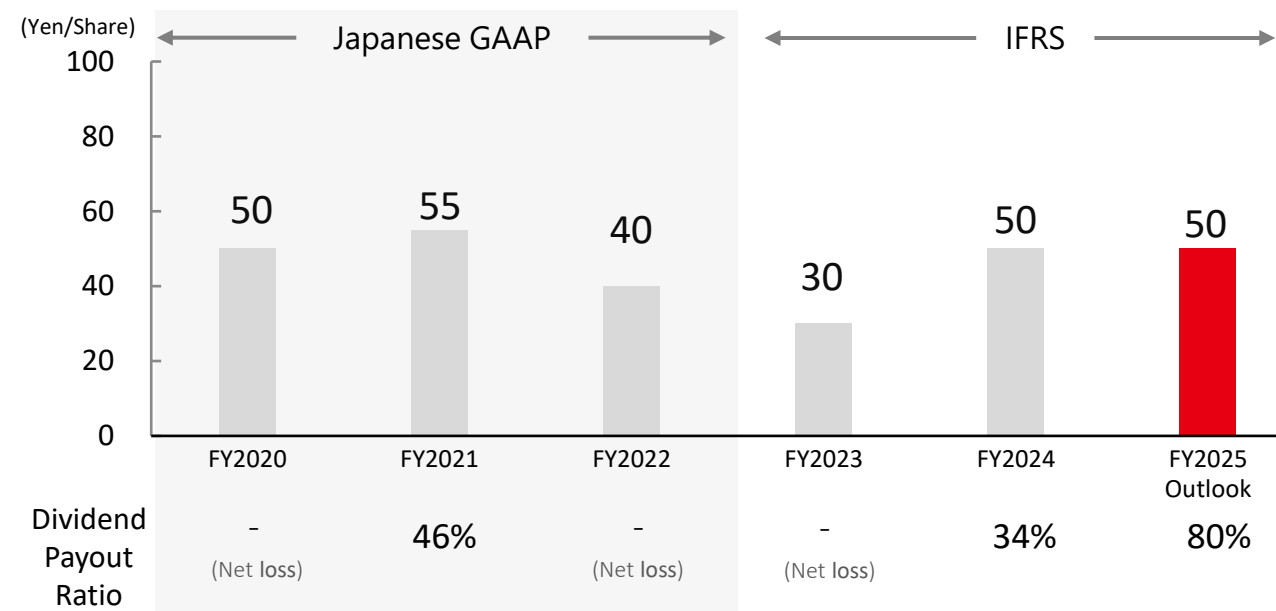
### Shareholder return policy

- Pay performance-linked dividends with a view to a payout ratio of approximately 30%
- Pay due consideration to stable and sustainable dividend payments
- The annual dividend for FY2025 is forecast to be 50 yen (Interim: 25 yen; Year-end: 25 yen) per share

#### Trend of interest-bearing debt and D/E ratio



#### Trend of dividend per share



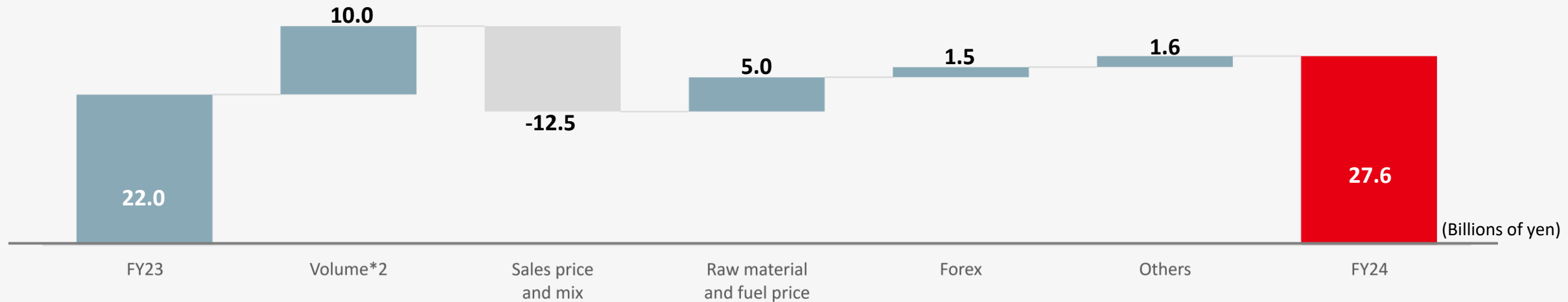
\*1 D/E ratio with adjusted capitalization of subordinated bond  
(60.0 billion yen subordinated bond was issued on July 21, 2021)

## Factors affecting Profit and Loss

Segment	Major factors
Materials	<ul style="list-style-type: none"> <li>• Aramid: large-scale periodic maintenance performed every three years (The next major periodical maintenance is scheduled for FY2025 1Q)</li> <li>• Resin &amp; plastic processing: periodic maintenance in 2Q &amp; 3Q every year</li> </ul>
Fibers & Products	<ul style="list-style-type: none"> <li>• Fiber materials and apparel: 2Q-3Q are a season for sales of autumn/winter clothing, and 4Q for spring clothing</li> </ul>
Healthcare	<ul style="list-style-type: none"> <li>• Cost increase in 4Q</li> </ul>

## Results of FY2024 Changes in adjusted operating income (Consolidated total) [Compared with FY2023]

(Billions of Yen)	FY23	FY24	Difference	%change
Revenue	960.5	1,005.5	+45.0	+4.7%
EBITDA	98.4	98.2	-0.2	-0.2%
Depreciation & Amortization <sup>*1</sup>	78.0	71.0	-7.0	-9.0%
Adjusted operating income	22.0	27.6	+5.6	+25.7%
ROIC	1.8%	2.6%	+0.8%	-



\*1 Including IT business

\*2 Including capacity utilization

## Results of FY2024 Summary by segment [Compared with FY2023]

(Billions of Yen)	TOTAL				Materials				Fibers & Products Converting			
	FY23 Actual	FY24 Actual	Difference	%change	FY23 Actual	FY24 Actual	Difference	%change	FY23 Actual	FY24 Actual	Difference	%change
Revenue	960.5	1,005.5	+45.0	+4.7%	439.2	459.3	+20.1	+4.6%	321.7	351.9	+30.2	+9.4%
EBITDA	98.4	98.2	-0.2	-0.2%	32.9	32.5	-0.4	-1.2%	20.7	25.5	+4.7	+22.9%
Depreciation & Amortization	78.0 <sup>*1</sup>	71.0 <sup>*1</sup>	-7.0	-9.0%	34.6	26.5	-8.1	-23.5%	7.8	7.6	-0.1	-1.5%
Adjusted operating income	22.0	27.6	+5.6	+25.7%	(1.7)	6.0	+7.8	-	13.0	17.8	+4.9	+37.5%
ROIC	1.8%	2.6%	+0.8%	-	(0%)	1%	+2%	-	6%	8%	+2%	-

	Healthcare				Others			
	FY23 Actual	FY24 Actual	Difference	%change	FY23 Actual	FY24 Actual	Difference	%change
Revenue	144.7	137.0	-7.7	-5.3%	54.8	57.3	+2.4	+4.4%
EBITDA	45.4	34.7	-10.7	-23.6%	5.6	11.8	+6.2	+111.8%
Depreciation & Amortization	27.2	29.0	+1.8	+6.6%	4.5	4.7	+0.2	+5.3%
Adjusted operating income	18.2	5.7	-12.5	-68.7%	1.1	7.1	+6.0	+554.0%
ROIC	7%	2%	-5%	-	-	-	-	-

\*1 Including IT business

## Results of FY2024 Summary by segment [Compared with previous outlook]

(Billions of Yen)	TOTAL				Materials				Fibers & Products Converting			
	FY24 Outlook	FY24 Actual	Difference	%change	FY24 Outlook	FY24 Actual	Difference	%change	FY24 Outlook	FY24 Actual	Difference	%change
Revenue	1,010.0	1,005.5	-4.5	-0.4%	465.0	459.3	-5.7	-1.2%	355.0	351.9	-3.1	-0.9%
EBITDA	100.0	98.2	-1.8	-1.8%	34.0	32.5	-1.5	-4.3%	25.5	25.5	-0.0	-0.1%
Depreciation & Amortization	73.0 <sup>*1</sup>	71.0 <sup>*1</sup>	-2.0	-2.7%	28.5	26.5	-2.0	-7.0%	7.5	7.6	+0.1	+1.8%
Adjusted operating income	28.0	27.6	-0.4	-1.4%	5.5	6.0	+0.5	+9.6%	18.0	17.8	-0.2	-0.9%
ROIC	3%	2.6%	-0.4%	-	1%	1%	+0%	-	8%	8%	+0%	-

	Healthcare				Others			
	FY24 Outlook	FY24 Actual	Difference	%change	FY24 Outlook	FY24 Actual	Difference	%change
Revenue	135.0	137.0	+2.0	+1.5%	55.0	57.3	+2.3	+4.1%
EBITDA	35.0	34.7	-0.3	-0.9%	11.0	11.8	+0.8	+7.5%
Depreciation & Amortization	29.0	29.0	+0.0	+0.0%	4.5	4.7	+0.2	+5.3%
Adjusted operating income	6.0	5.7	-0.3	-5.2%	6.5	7.1	+0.6	+9.0%
ROIC	2%	2%	+0%	-	-	-	-	-

\*1 Including IT business



## Results of FY2024 Changes by segment [Compared with FY2023, FY2023 4Q, FY2024 3Q]

	(Billions of Yen)	FY23				Total	FY24				Difference 24 Total -23 Total	Difference 24/4Q -23/4Q	Difference 24/4Q -24/3Q	
		1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q				Total
		Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.		Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.				
Revenue														
High-perfrmance materials		60.7	65.1	65.5	71.0	262.3	71.3	67.5	64.3	67.8	270.9	+8.6	-3.2	+3.5
Composites		45.0	44.5	40.6	46.9	176.9	52.0	43.7	43.5	49.1	188.4	+11.5	+2.2	+5.6
Materials Total		105.7	109.6	106.1	117.9	439.2	123.3	111.2	107.9	117.0	459.3	+20.1	-1.0	+9.1
Fibers & Products Converting		76.1	82.7	81.0	81.9	321.7	83.0	90.9	92.3	85.7	351.9	+30.2	+3.8	-6.6
Healthcare		35.8	34.9	36.4	37.6	144.7	35.4	33.9	34.9	32.7	137.0	-7.7	-4.9	-2.2
Others		11.5	16.0	13.2	14.2	54.8	13.7	16.1	13.5	13.9	57.3	+2.4	-0.3	+0.4
Total		229.1	243.1	236.6	251.6	960.5	255.3	252.2	248.6	249.4	1,005.5	+45.0	-2.3	+0.8
Adjusted operating income														
Materials		(0.4)	(2.0)	1.2	(0.4)	(1.7)	2.4	(0.7)	0.1	4.2	6.0	+7.8	+4.6	+4.0
Fibers & Products Converting		3.4	4.1	2.4	3.0	13.0	4.4	5.7	5.0	2.7	17.8	+4.9	-0.3	-2.3
Healthcare		5.2	3.8	3.7	5.4	18.2	3.6	1.8	2.7	(2.4)	5.7	-12.5	-7.8	-5.0
Others		(1.1)	1.6	0.3	0.2	1.1	2.2	3.2	1.2	0.4	7.1	+6.0	+0.1	-0.9
Elimination and Corporate		(2.3)	(0.9)	(1.6)	(3.8)	(8.6)	(2.2)	(1.8)	(2.1)	(2.9)	(9.0)	-0.5	+0.8	-0.8
Total		4.8	6.6	6.0	4.5	22.0	10.4	8.2	7.0	2.0	27.6	+5.6	-2.5	-5.0

## Results of FY2024 Consolidated statements of income [Quarterly transition]

	FY23				FY24			
	1Q Apr.-Jun.	2Q Jul.-Sep.	3Q Oct.-Dec.	4Q Jan.-Mar.	1Q Apr.-Jun.	2Q Jul.-Sep.	3Q Oct.-Dec.	4Q Jan.-Mar.
(Billions of Yen)								
Revenue	229.1	243.1	236.6	251.6	255.3	252.2	248.6	249.4
Cost of sales	(170.8)	(193.2)	(181.5)	(204.2)	(191.9)	(237.0)	(189.8)	(195.3)
Gross profit	58.3	49.9	55.1	47.4	63.4	15.1	58.8	54.1
SG&A expenses	(53.8)	(52.6)	(55.1)	(63.2)	(55.9)	(70.9)	(53.9)	(89.6)
Other income and expenses	0.1	(0.1)	8.2	0.9	0.5	0.0	(0.9)	7.4
Operating income	4.6	(2.8)	8.2	(14.9)	8.0	(55.7)	4.0	(28.1)
Finance income and costs	0.6	(1.6)	(4.1)	(0.4)	(1.6)	(3.3)	0.4	(2.7)
Share of profit (loss) of investments accounted for using the equity method	0.0	1.0	7.1	(2.9)	1.9	(0.2)	1.1	(1.8)
Profit before tax	5.3	(3.4)	11.3	(18.3)	8.4	(59.2)	5.5	(32.7)
Income tax expense	(3.9)	(1.8)	0.4	(5.0)	(3.9)	0.1	(4.3)	10.4
Profit (loss) from discontinued operations	1.3	1.8	1.5	2.1	0.8	1.8	103.5	(0.0)
Profit	2.7	(3.4)	13.2	(21.2)	5.2	(57.3)	104.7	(22.3)
Profit attributable to owners of parent	2.1	(4.1)	12.7	(22.4)	4.5	(57.8)	104.3	(22.6)
Profit attributable to non-controlling interests	0.6	0.7	0.5	1.2	0.8	0.5	0.4	0.3
Operating income	4.6	(2.8)	8.2	(14.9)	8.0	(55.7)	4.0	(28.1)
Share of profit (loss) of investments accounted for using equity method <sup>*1</sup>	0.0	0.9	0.3	0.2	1.9	1.2	1.1	0.5
Non-recurring items	0.2	8.5	(2.5)	19.2	0.4	62.8	1.9	29.6
Adjusted operating income	4.8	6.6	6.0	4.5	10.4	8.2	7.0	2.0
CAPEX <sup>*2</sup>	12.6	15.0	24.9	24.9	11.3	12.2	15.9	20.6
Depreciation & Amortization <sup>*3</sup>	19.5	19.5	19.9	19.1	19.3	18.0	17.1	16.6
R&D Expenses	7.5	7.6	8.0	9.6	7.3	7.6	7.0	9.0

\*1 Excluding profit and loss arising from non-recurring factors

\*2 CAPEX includes investments in intangible assets (excludes M&A) and the amount includes IT business

\*3 Including IT business

## Results of FY2024 Consolidated Statement of Financial Position[Quarterly transition]

(Billions of Yen)	FY23				FY24			
	Jun. 30, 2023	Sep. 30, 2023	Dec. 31, 2023	Mar. 31, 2024	Jun. 30, 2024	Sep. 30, 2024	Dec. 31, 2024	Mar. 31, 2025
<b>Total assets</b>								
Current assets	660.5	676.8	659.6	625.6	697.5	660.3	715.5	587.9
Non-current assets	627.7	624.2	625.3	601.0	591.6	510.5	503.8	473.4
Total	1,288.3	1,301.0	1,284.9	1,226.6	1,289.1	1,170.8	1,219.3	1,061.3
<b>Total liabilities and Equity</b>								
Liabilities	851.3	863.6	840.6	789.9	835.5	790.9	752.6	622.7
[Interest-bearing debt]	598.9	588.0	593.0	516.9	574.0	547.1	516.4	387.1
Equity	437.0	437.4	444.3	436.8	453.6	379.9	466.7	438.5
Total	1,288.3	1,301.0	1,284.9	1,226.6	1,289.1	1,170.8	1,219.3	1,061.3

## Results of FY2024 Breakdown of changes in total assets [Compared with the end of FY2023]

	(Billions of Yen)	Mar. 31, 2024	Mar. 31, 2025	Difference
<b>Total assets</b>		1,226.6	1,061.3	-165.3
<b>Cash and cash equivalents</b>		123.2	107.5	-15.7
<b>Trade receivables</b>		222.6	166.7	-55.9
<b>Inventory assets</b>		234.0	227.0	-6.9
<b>Property, plant and equipment &amp; Right-of-use assets</b>		335.8	274.3	-61.5
<b>Goodwill and intangible assets</b>		149.6	93.8	-55.8
<b>Assets held for sale<sup>*1</sup></b>		0.8	55.4	+54.6
<b>Others</b>		160.6	136.4	-24.1

\*1 The composites business in North America and others have been classified as an assets held for sale

## Outlook for FY2025 Summary by segment [Compared with FY2024]

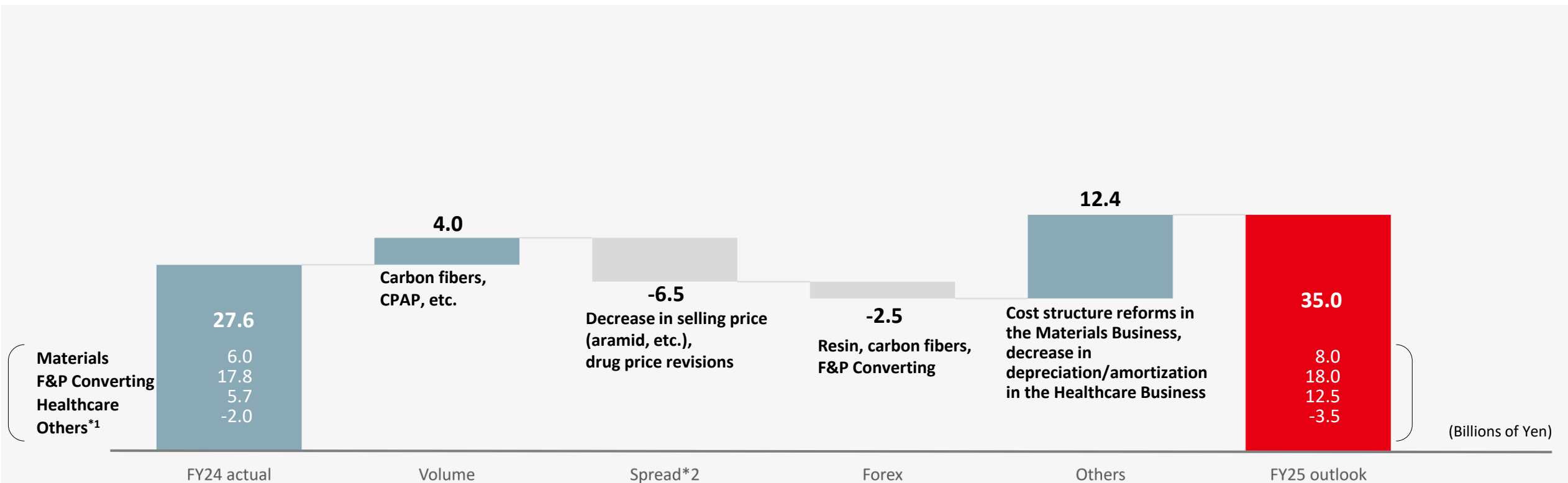
(Billions of Yen)	TOTAL			Materials			Fibers & Products Converting		
	FY24 Actual	FY25 Outlook	Difference	FY24 Actual	FY25 Outlook	Difference	FY24 Actual	FY25 Outlook	Difference
Revenue	1,005.5	860.0	-145.5	459.3	320.0	-139.3	351.9	350.0	-1.9
EBITDA	98.2	100.0	+1.8	32.5	30.0	-2.5	25.5	26.0	+0.5
Depreciation & Amortization	71.0 <sup>*1</sup>	65.0	-6.0	26.5	22.0	-4.5	7.6	8.0	+0.4
Adjusted operating income	27.6	35.0	+7.4	6.0	8.0	+2.0	17.8	18.0	+0.2
ROIC	2.6%	3%	+0%	1%	2%	+1%	8%	8%	-0%

	Healthcare			Others		
	FY24 Actual	FY25 Outlook	Difference	FY24 Actual	FY25 Outlook	Difference
Revenue	137.0	135.0	-2.0	57.3	55.0	-2.3
EBITDA	34.7	39.0	+4.3	11.8	10.0	-1.8
Depreciation & Amortization	29.0	26.5	-2.5	4.7	5.5	+0.8
Adjusted operating income	5.7	12.5	+6.8	7.1	4.5	-2.6
ROIC	2%	6%	+4%	-	-	-

\*1 Including IT business

## Outlook for FY2025 Factors of changes in adjusted operating income [Compared with FY2024]



\*1 Sum of the values for the segments "Others" and "Elimination and Corporate"

\*2 Selling price and mix + raw material and fuel costs

## Historical financial indicators

	Japanese GAAP				IFRS		
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY23 Actual	FY24 Actual	FY25 Outlook
ROE <sup>*1</sup>	(1.7%)	5.5%	(4.1%)	2.4%	(2.9%)	6.7%	3%
Operating income ROIC <sup>*2</sup>	8.6%	5.5%	1.6%	1.6%	-	-	-
ROIC <sup>*3</sup>	-	-	-	-	1.8%	2.6%	3%
EBITDA <sup>*4</sup> (Billions of Yen)	106.8	113.0	87.8	92.4	98.4	98.2	100.0
Basic earnings per share <sup>*5</sup> (Yen)	(34.7)	120.6	(92.0)	55.1	(60.9)	147.1	62.3
Dividends per share (Yen)	50	55	40	30	30	50	50
Free cash flow <sup>*6</sup> (Billions of Yen)	28.1	(108.7)	2.7	23.4	28.8	122.4	30.0
CAPEX <sup>*7</sup> (Billions of Yen)	60.3	200.8	62.5	66.9	77.4	59.9	65.0
Depreciation & Amortization <sup>*6</sup> (Billions of Yen)	51.8	68.8	74.9	78.9	78.0	71.0	65.0
R&D Expenses (Billions of Yen)	32.7	33.3	31.9	42.6	32.7	30.9	29.0
Total assets (Billions of Yen)	1,041.1	1,207.6	1,242.4	1,251.0	1,226.6	1,061.3	970.0
Interest-bearing debt (Billions of Yen)	380.0	485.2	529.4	498.9	516.9	387.1	380.0
D/E ratio <sup>*8</sup>	0.94	1.10	1.25	1.10	1.26	0.90	1.0
D/E ratio (capital adjustment) <sup>*9</sup>	-	0.97	1.10	0.97	1.11	0.77	0.8
Shareholders' equity ratio <sup>*10</sup>	39.0%	36.4%	34.2%	36.3%	33.4%	40.7%	41%

\*1 Japanese GAAP: ROE = Profit attributable to owners of parent / Average\* total shareholders' equity  
IFRS: ROE = Profit attributable to owners of parent / Average\* of equity attributable to owners of parent

\*2 ROIC based on operating income = Operating income / Average\* invested capital  
(Invested capital = Net assets + Interest-bearing debt – Cash and deposits)

\*3 After-tax adjusted operating income ROIC= Adjusted operating income after tax / Average\* of invested capital  
(Invested capital = Equity + Interest-bearing debt)

\*Average: ([Beginning balance + Ending balance] / 2)

\*4 Japanese GAAP: EBITDA = Operating income + Depreciation & amortization  
IFRS: EBITDA = Adjusted Operating income + Depreciation & amortization

\*5 Japanese GAAP: Net income per share

\*6 Including IT business until FY2024

\*7 CAPEX includes investments in intangible assets (excludes M&A)  
(Including IT business until FY2024)

\*8 Japanese GAAP: D/E ratio = Interest-bearing debt / Total shareholders' equity (Gross)  
IFRS: D/E ratio = Interest-bearing debt / Equity attributable to owners of parent (Gross)

\*9 D/E ratio taking into account the equity credit of the subordinated bonds  
(The Company issued subordinated bonds of ¥60.0 billion on July 21, 2021)

\*10 Japanese GAAP: Equity ratio

## Sales of principal pharmaceuticals in Japan

(Billions of Yen)

Product	Target disease	FY2023					FY2024				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Total sales of four diabetes treatments		6.3	5.8	6.1	4.7	22.8	5.5	5.0	5.3	4.3	20.0
Nesina	Type 2 Diabetes	3.1	2.8	2.9	2.3	11.1	2.7	2.4	2.6	2.1	9.8
Inisync®	Type 2 Diabetes (combination drug)	1.9	1.7	1.8	1.5	6.9	1.7	1.6	1.7	1.4	6.4
Liovel®	Type 2 Diabetes (combination drug)	0.8	0.7	0.8	0.5	2.8	0.7	0.6	0.6	0.4	2.3
Zafatek®	Type 2 Diabetes	0.5	0.6	0.6	0.3	2.0	0.4	0.4	0.4	0.4	1.6
Somatuline®*1	Acromegaly and pituitary gigantism, thyroid stimulating hormone-secreting pituitary tumors, and gastroenteropancreatic neuroendocrine tumors [Orphan drug]	1.5	1.5	1.7	1.4	6.1	1.5	1.6	1.8	1.5	6.4
Venilon®	Severe infection [Orphan drug]	1.4	1.4	1.6	1.1	5.5	1.6	1.6	1.7	1.4	6.3
Bonalon®*2	Osteoporosis	1.6	1.6	1.7	1.3	6.3	1.5	1.4	1.4	1.1	5.4
FEBURIC®	Gout and hyperuricemia	2.0	2.1	2.0	1.2	7.4	1.3	1.2	0.7	0.6	3.8
OSTABALO®	Osteoporosis	0.1	0.2	0.4	0.4	1.1	0.7	0.7	1.0	0.9	3.3
XEOMIN®*3	Upper and lower limb spasticity	0.5	0.5	0.6	0.5	2.0	0.6	0.6	0.7	0.6	2.3
LOQOA®	Osteoarthritis pain and inflammation	0.5	0.4	0.5	0.4	1.8	0.5	0.4	0.5	0.4	1.7
Mucosolvan®	Expectorant	0.4	0.5	0.5	0.4	1.9	0.3	0.3	0.3	0.2	1.2



## Voluntary application of IFRS

- The Company has voluntarily adopted International Financial Reporting Standards (IFRS) since FY2024
- “Adjusted operating income” has been set as a performance indicator for ordinary business profit and loss

### < Consolidated financial statements after the adoption of IFRS >

P/L statement according to the Japanese GAAP		P/L statement according to the IFRS
Net sales		Revenue
Cost of sales		Cost of sales
Gross profit		Gross profit
SG&A expenses		SG&A expenses
Operating income		Other income and expenses
Finance income and costs		Operating income
Share of profit (loss) of investments announced for using the equity method		Finance income and costs
Other non-operating income and expenses		Share of profit (loss) of investments accounted for using the equity method
Ordinary income		Income before income tax
Extraordinary income/loss		Income tax expense
Income before income taxes		Profit
Income tax expense		Profit attributable to owners of parent
Profit		Profit attributable to non-controlling interests
Profit attributable to owners of parent		
Profit attributable to non-controlling interests		

### ■ Adjusted operating income (an item voluntarily set by the Company)

Calculated by adding share of profit (loss) of investments accounted for using the equity method of unconsolidated subsidiaries and affiliates to operating income, excluding gain and losses due to extraordinary factors

#### Operating income according to the Japanese GAAP

- + Gaps appearing after the adoption of the IFRS as accounting standards
- + Non-operating income/loss excluding financial income and expenses
- + Extraordinary income/loss\*1

#### Operating income according to the IFRS

- + Share of profit (loss) of investments accounted for using the equity method
- Gains and losses due to extraordinary factors

#### Adjusted operating income

\*1 Excluding profit/loss on sale and valuation of investment securities

## Voluntary application of IFRS

- Major changes in the way of processing the consolidated financial statements due to the adoption of the IFRS

Item	Japanese GAAP	IFRS
Goodwill	<ul style="list-style-type: none"> <li>• Amortized by fixed installment</li> </ul>	<ul style="list-style-type: none"> <li>• Not amortized</li> </ul>
Impairment loss on fixed assets	<ul style="list-style-type: none"> <li>• When there is a sign of an impairment loss, a judgment is made on whether there is an actual impairment loss by comparing undiscounted cash flows with the book value</li> <li>• When an impairment loss is deemed necessary, the loss is recorded by lowering its book value to its recoverable value</li> </ul>	<ul style="list-style-type: none"> <li>• When there is a sign of an impairment loss, its book value is compared with its recoverable value (after discount). If its recoverable value is lower than its book value, the gap is processed as an impairment loss</li> </ul>
R&D expenses	<ul style="list-style-type: none"> <li>• Processed as temporary expenses when they are incurred</li> </ul>	<ul style="list-style-type: none"> <li>• Research expenses: Processed as temporary expenses when they are incurred</li> <li>• Development expenses: Expenses that meet certain requirements are recorded as assets</li> </ul>
Profit/loss on sale of cross-shareholdings	<ul style="list-style-type: none"> <li>• Recorded as profit/loss</li> </ul>	<ul style="list-style-type: none"> <li>• Recorded as part of “Other comprehensive income”, instead of profit/loss</li> </ul>
Retirement benefit costs	<ul style="list-style-type: none"> <li>• Actuarial gain or loss is processed as an expense</li> </ul>	<ul style="list-style-type: none"> <li>• Actuarial gain or loss is recorded as part of “Other comprehensive income”, instead of being processed as an expense</li> </ul>
Operating lease transactions	<ul style="list-style-type: none"> <li>• Rents paid are recorded as expenses as they are unrecognized as assets or liabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Recorded as assets or liabilities, with depreciation and interest expenses recorded as expenses</li> </ul>

## Voluntary application of IFRS

- Difference between FY2023 operating income calculated according to Japanese standards and FY2023 adjusted operating income calculated according to IFRS  
\*FY2023 actual (Billions of Yen)

FY2023 results	Operating income (Japanese standards)	Adjusted operating income (IFRS)	Difference	Factors
Materials	(6.2)	(1.7)	+4.4	<ul style="list-style-type: none"> <li>• Decrease in amortization due to impairment losses on fixed assets<sup>*1</sup> at Teijin Automotive Technologies U.S</li> <li>• Impact of goodwill becoming not subject to amortization, etc.</li> </ul>
Fibers & Products Converting	12.1	13.0	+0.8	
Healthcare	7.3	18.2	+10.9	<ul style="list-style-type: none"> <li>• Recording of lump-sum contract fees paid for three hormone drugs as assets, etc.</li> </ul>
Others	(0.8)	1.1	+1.8	<ul style="list-style-type: none"> <li>• Impact of goodwill becoming not subject to amortization</li> <li>• Share of loss /profit of investments accounted for using the equity method, etc.</li> </ul>
Eliminations and corporate	(8.5)	(8.6)	-0	
Total	4.0	22.0	+17.9	
IT	9.5	-	-	<ul style="list-style-type: none"> <li>• The IT Business has been classified as a discontinued operation and excluded from the calculation of adjusted operating income due to our decision to sell all our shares of INFOCOM Corporation, a consolidated subsidiary</li> </ul>
Recalculated total	13.5	-	-	

\*1 Amount of impairment recognized as a result of impairment testing under IFRS: Approximately ¥40.0 billion

- Major changes in accounting procedures due to the application of IFRS
  - Impairment loss: If a sign of an impairment loss is detected and if the discounted recoverable amount is lower than the book value, the book value will be decreased to the recoverable amount
  - Recording of development costs as assets: All introduction costs that meet certain requirements are recorded as assets (Amortization starts at the time of the approval)
  - Goodwill: Goodwill is not subject to amortization
  - Including share of profit (loss) of investments accounted for using the equity method in adjusted operating income

## ESG external evaluation

Included in the following ESG indices used by the GPIF



FTSE Blossom  
Japan Index

**2025** CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)



FTSE Blossom  
Japan Sector  
Relative Index

**2025** CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX

THE USE BY TEIJIN LIMITED 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 TEIJIN LIMITED 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..

Obtained the highest "AAA" in the MSCI ESG RATINGS

**MSCI**  
ESG RATINGS



CCC B BB BBB A **AA** AAA

Highly rated in the Nikkei SDGs Management Survey

**NIKKEI**  
**SDGs**

Management Survey 2024



• Rated "S" or higher in all four categories

Status of inclusion  
in SRI indices



FTSE4Good

Excellence Award  
in the Daiwa Internet IR



Included in these two domestic programs as a company  
with outstanding ESG initiatives

Promoting Health Management

Sports Yell Company



Silver Plus  
Company acquired the  
certification seven to nine  
times



---

Disclaimer

Any statements in this material, other than those of historical facts, are forward-looking statements about the future performance of Teijin and its Group companies, which are based on management's assumptions and beliefs in light of information currently available and involve risks and uncertainties. Actual results may differ materially from these forecasts

Information about pharmaceuticals, medical devices, and regenerative medical products (including pipeline products) included in this material is not provided for the purposes of advertising or medical advice

This material is based on the consolidated results for FY2024 announced at 11:30 on May 12, 2025 (local time in Japan)

---