

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 [IFRS]

August 5, 2025

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 Scheduled date for dividends payment: —
 Availability of supplementary information
 for the quarterly financial results: Yes
 Meeting on the quarterly financial results: Yes (for analysts and institutional investors)

(Amounts rounded to the nearest million yen)

1. Highlight of the First Quarter of FY2025 (April 1, 2025 through June 30, 2025)

(1) Consolidated financial results (Percentages are year-on-year changes)

	Revenue		Adjusted operating income		Operating income		Profit before tax	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the three months ended June 30, 2025	243,117	(4.8)	7,847	(24.5)	2,295	(71.5)	62	(99.3)
For the three months ended June 30, 2024	255,341	11.5	10,400	115.7	8,041	75.0	8,389	58.8

	Profit for the period		Profit attributable to owners of parent		Comprehensive income	
	Million yen	%	Million yen	%	Million yen	%
For the three months ended June 30, 2025	(570)	—	(740)	—	5,438	(73.3)
For the three months ended June 30, 2024	5,215	91.4	4,451	110.2	20,358	(14.3)

Note: Adjusted operating income is calculated by adding share of profit (loss) of investments accounted for using the equity method to operating income and excluding gains and losses due to nonrecurring factors, which include nonrecurring gains and losses such as financial gains and losses and impairment losses in share of profit (loss) of investments accounted for using the equity method.

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the three months ended June 30, 2025	(3.84)	(3.84)
For the three months ended June 30, 2024	23.12	23.09

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Million yen	Million yen	Million yen	%
As of June 30, 2025	1,145,085	436,078	431,834	37.7
As of March 31, 2025	1,061,272	438,541	431,378	40.6

2. Dividends

	Dividends per share				
Period	1Q	2Q	3Q	4Q	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024	—	25.00	—	25.00	50.00
FY2025	—				
FY2025 (outlook)		25.00	—	25.00	50.00

Note: Revision of outlook for dividends in the third quarter: None

3. Forecast for Operating Results in the Fiscal Year Ending March 31, 2026 (FY 2025)

(Percentages are year-on-year changes)

	Revenue		Adjusted operating income		Operating income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2025 annual	860,000	(14.5)	35,000	26.8	20,000	—	12,000	(57.7)	62.26

Note: Revision of outlook for FY2025 consolidated operating results in the first quarter: None

■ Notes

- (1) Significant changes in the scope of consolidation for the three months ended June 30, 2025: Yes
 Newly included: None
 Excluded: 1 company (Teijin Nakashima Medical Co., Ltd.)

- (2) Changes in accounting policies or changes in accounting estimates
 a. Changes in accounting policies required by IFRS: None
 b. Changes in accounting policies other than the above a: None
 c. Changes in accounting estimates: None

- (3) Shares issued (common shares)
 a. Number of shares issued and outstanding (including treasury shares)
 As of June 30, 2025: 197,953,707 shares
 As of March 31, 2025: 197,953,707 shares

 b. Number of treasury shares
 As of June 30, 2025: 5,224,506 shares
 As of March 31, 2025: 5,236,834 shares

 c. Average number of issued and outstanding shares during the period
 The three months ended June 30, 2025 192,726,662 shares
 The three months ended June 30, 2024 192,553,291 shares

- Review by certified public accountants or an audit firm for the attached quarterly consolidated financial statements: None

■ Appropriate use of forecast and other information and other matters

(Caution regarding all forecasts in this document)

All forecasts in this document are based on management's assumptions in light of information currently available and involve certain risks and uncertainties. Moreover, the Company does not guarantee the achievement of these forecasts and actual results could differ materially from these forecasts.

(Quarterly supplementary financial information and contents of quarterly business results presentation)

- (1) Quarterly supplementary financial information is disclosed on TDnet (Timely Disclosure network) and on our company's website on the same day.
 (2) Quarterly business results presentation will be disclosed on our company's website.

Supplementary Information

Table of Contents

1. The Overview of Results of Operations, etc.	2
2. Condensed Quarterly Consolidated Financial Statements and Notes Thereto	3
(1) Condensed Quarterly Consolidated Statements of Financial Position	3
(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income	5
(3) Condensed Quarterly Consolidated Statements of Changes in Equity	7
(4) Condensed Quarterly Consolidated Statements of Cash Flows	11
(5) Notes to the Condensed Quarterly Consolidated Financial Statements	13
(Note on Going Concern Assumptions)	13
(Segment Information)	13
(Assets Held for Sale and Discontinued Operations)	15
(Impairment of non-financial assets)	17
(Loss of control)	18
(Earnings Per Share)	19
(Significant Subsequent Events)	20

1. The Overview of Results of Operations, etc.

The overview of consolidated results of operations, etc., for the first quarter of the fiscal year ending March 31, 2026, is disclosed on our company's website and on TDnet (Timely Disclosure network) today through Flash Report Results of FY2025 1Q & Outlook for FY2025.

2. Condensed Quarterly Consolidated Financial Statements and Notes Thereto
(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	107,538	205,364
Trade and other receivables	166,741	159,180
Inventories	227,032	222,689
Other financial assets	8,499	10,234
Other current assets	22,685	23,624
Subtotal	532,496	621,092
Assets held for sale	55,388	43,008
Total current assets	587,883	664,099
Non-current assets		
Property, plant and equipment	250,945	260,641
Right-of-use assets	23,333	22,284
Goodwill	8,334	8,292
Intangible assets	85,511	82,882
Investment property	11,888	11,930
Investments accounted for using the equity method	45,602	46,553
Other financial assets	26,481	26,701
Retirement benefit asset	728	732
Deferred tax assets	16,977	17,427
Other non-current assets	3,589	3,544
Total non-current assets	473,389	480,986
Total assets	1,061,272	1,145,085

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	105,296	96,685
Bonds and borrowings	124,985	231,814
Lease liabilities	7,954	7,888
Other financial liabilities	5,473	7,810
Income taxes payable	3,693	3,076
Provisions	1,798	1,767
Other current liabilities	38,147	30,124
Subtotal	287,347	379,163
Liabilities directly associated with assets held for sale	31,616	28,008
Total current liabilities	318,962	407,170
Non-current liabilities		
Bonds and borrowings	237,494	236,857
Lease liabilities	16,694	15,638
Other financial liabilities	4,729	4,277
Retirement benefit liability	32,375	32,702
Provisions	992	1,321
Deferred tax liabilities	3,268	2,774
Other non-current liabilities	8,215	8,269
Total non-current liabilities	303,768	301,837
Total liabilities	622,731	709,008
Equity		
Share capital	71,833	71,833
Capital surplus	105,708	105,738
Retained earnings	231,726	226,358
Treasury shares	(11,411)	(11,383)
Other components of equity	34,655	36,474
Other comprehensive income associated with assets held for sale	(1,134)	2,814
Total equity attributable to owners of parent	431,378	431,834
Non-controlling interests	7,164	4,244
Total equity	438,541	436,078
Total liabilities and equity	1,061,272	1,145,085

(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Consolidated Statements of Comprehensive Income
(Condensed Consolidated Statements of Profit or Loss)

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Continuing operations		
Revenue	255,341	243,117
Cost of sales	(191,893)	(187,227)
Gross profit	63,448	55,890
Selling, general and administrative expenses	(55,908)	(52,569)
Other income	874	2,056
Other expenses	(373)	(3,083)
Operating income	8,041	2,295
Finance income	1,937	1,365
Finance costs	(3,506)	(4,865)
Share of profit of investments accounted for using the equity method	1,917	1,267
Profit before tax	8,389	62
Income tax expense	(3,928)	(631)
Profit(loss) from continuing operations	4,461	(570)
Discontinued operations		
Profit from discontinued operations	754	—
Profit(loss)	5,215	(570)
Profit(loss) attributable to:		
Owners of parent	4,451	(740)
Non-controlling interests	765	170
Profit(loss)	5,215	(570)
Earnings(loss) per share		
Basic earnings(loss) per share		
Continuing operations	21.34	(3.84)
Discontinued operations	1.77	—
Total	23.12	(3.84)
Diluted earnings(loss) per share		
Continuing operations	21.32	(3.84)
Discontinued operations	1.77	—
Total	23.09	(3.84)

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

For the three months ended June 30, 2024 and 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit (loss)	5,215	(570)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	502	74
Remeasurements of defined benefit plans	0	186
Share of other comprehensive income of investments accounted for using the equity method	5	2
Total of items that will not be reclassified to profit or loss	507	262
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	746	1,390
Exchange differences on translation of foreign operations	13,626	4,610
Share of other comprehensive income of investments accounted for using the equity method	264	(255)
Total of items that may be reclassified to profit or loss	14,635	5,746
Total other comprehensive income, net of tax	15,142	6,008
Comprehensive income	20,358	5,438
Comprehensive income attributable to:		
Owners of parent	19,673	5,263
Non-controlling interests	685	175
Comprehensive income	20,358	5,438

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Share acquisition rights	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2024	71,833	103,133	204,174	(11,772)	474	14,541	—
Profit (loss)	—	—	4,451	—	—	—	—
Other comprehensive income	—	—	—	—	—	582	—
Total comprehensive income	—	—	4,451	—	—	582	—
Purchase of treasury shares	—	—	—	(2)	—	—	—
Disposal of treasury shares	—	(1)	—	6	(34)	—	—
Transfer of loss on disposal of treasury shares	—	1	(1)	—	—	—	—
Share-based payment expenses	—	35	—	—	—	—	—
Dividends	—	—	(2,888)	—	—	—	—
Change in treasury shares of parent arising from transactions with non-controlling interests	—	(4)	—	—	—	—	—
Transfer to non-financial assets	—	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	489	—
Change in scope of consolidation	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(45)	—	—	45	—
Other	—	—	0	0	—	—	—
Total transactions with owners	—	31	(2,934)	3	(34)	534	0
Balance as of June 30, 2024	71,833	103,164	205,690	(11,769)	441	15,657	0

(Millions of yen)

	Equity attributable to owners of parent						
	Other components of equity			Other comprehensive income associated with assets held for sale	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Total				
Balance as of April 1, 2024	332	26,792	42,139	—	409,507	27,252	436,759
Profit (loss)	—	—	—	—	4,451	765	5,215
Other comprehensive income	746	13,894	15,222	—	15,222	(80)	15,142
Total comprehensive income	746	13,894	15,222	—	19,673	685	20,358
Purchase of treasury shares	—	—	—	—	(2)	—	(2)
Disposal of treasury shares	—	—	(34)	—	(28)	—	(28)
Transfer of loss on disposal of treasury shares	—	—	—	—	—	—	—
Share-based payment expenses	—	—	—	—	35	—	35
Dividends	—	—	—	—	(2,888)	(515)	(3,404)
Change in treasury shares of parent arising from transactions with non-controlling interests	—	—	—	—	(4)	—	(4)
Transfer to non-financial assets	(121)	—	(121)	—	(121)	—	(121)
Transfer to other comprehensive income associated with assets held for sale	—	11	500	(500)	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	45	—	—	—	—
Other	—	—	0	—	0	33	33
Total transactions with owners	(121)	11	391	(500)	(3,010)	(483)	(3,492)
Balance as of June 30, 2024	957	40,697	57,752	(500)	426,170	27,454	453,624

For the three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Share acquisition rights	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2025	71,833	105,708	231,726	(11,411)	162	8,891	—
Profit (loss)	—	—	(740)	—	—	—	—
Other comprehensive income	—	—	—	—	—	76	186
Total comprehensive income	—	—	(740)	—	—	76	186
Purchase of treasury shares	—	—	—	(1)	—	—	—
Disposal of treasury shares	—	(10)	—	36	(26)	—	—
Transfer of loss on disposal of treasury shares	—	7	(7)	—	—	—	—
Share-based payment expenses	—	33	—	(8)	—	—	—
Dividends	—	—	(4,818)	—	—	—	—
Change in treasury shares of parent arising from transactions with non-controlling interests	—	—	—	—	—	—	—
Transfer to non-financial assets	—	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	197	—	—	(12)	(186)
Other	—	—	—	—	—	—	—
Total transactions with owners	—	30	(4,628)	28	(26)	(12)	(186)
Balance as of June 30, 2025	71,833	105,738	226,358	(11,383)	136	8,956	—

(Millions of yen)

	Equity attributable to owners of parent						
	Other components of equity			Other comprehensive income associated with assets held for sale	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Total				
Balance as of April 1, 2025	930	24,672	34,655	(1,134)	431,378	7,164	438,541
Profit (loss)	—	—	—	—	(740)	170	(570)
Other comprehensive income	1,390	4,351	6,003	—	6,003	5	6,008
Total comprehensive income	1,390	4,351	6,003	—	5,263	175	5,438
Purchase of treasury shares	—	—	—	—	(1)	—	(1)
Disposal of treasury shares	—	—	(26)	—	0	—	0
Transfer of loss on disposal of treasury shares	—	—	—	—	—	—	—
Share-based payment expenses	—	—	—	—	25	—	25
Dividends	—	—	—	—	(4,818)	(40)	(4,858)
Change in treasury shares of parent arising from transactions with non-controlling interests	—	—	—	—	—	—	—
Transfer to non-financial assets	(13)	—	(13)	—	(13)	—	(13)
Transfer to other comprehensive income associated with assets held for sale	—	(3,948)	(3,948)	3,948	—	—	—
Change in scope of consolidation	—	—	—	—	—	(3,055)	(3,055)
Transfer from other components of equity to retained earnings	—	—	(197)	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with owners	(13)	(3,948)	(4,185)	3,948	(4,807)	(3,095)	(7,901)
Balance as of June 30, 2025	2,308	25,074	36,474	2,814	431,834	4,244	436,078

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	8,389	62
Profit before tax from discontinued operations	1,091	—
Depreciation and amortization	19,311	15,311
Impairment losses	284	3,679
Share of loss (profit) of investments accounted for using the equity method	(2,000)	(1,267)
Increase or decrease in retirement benefit asset or liability	1,109	(165)
Interest and dividend income	(1,007)	(1,123)
Interest expenses	2,900	2,490
Loss (gain) on sale or disposal of fixed assets	408	109
Loss (gain) on sale of shares of affiliates	—	(605)
Decrease (increase) in trade and other receivables	10,592	6,731
Decrease (increase) in inventories	(12,160)	5,177
Increase (decrease) in trade and other payables	(11,254)	(5,737)
Other	5,267	(5,658)
Subtotal	22,930	19,004
Interest and dividends received	1,674	975
Interest paid	(2,274)	(1,845)
Income taxes paid	(13,699)	(1,512)
Net cash provided by (used in) operating activities	8,631	16,622
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,434)	(20,291)
Proceeds from sale of property, plant and equipment	533	24
Purchase of intangible assets	(1,224)	(1,105)
Purchase of investment securities	(1,649)	(449)
Proceeds from sale of investment securities	84	0
Net decrease (increase) in short-term loans receivable	(222)	(22)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	3,332
Other	(144)	(40)
Cash flows from investing activities	(17,055)	(18,550)

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	49,944	104,268
Repayments of long-term borrowings	(140)	(42)
Redemption of bonds	(30)	—
Repayments of lease liabilities	(1,842)	(1,598)
Purchase of treasury shares	(2)	(1)
Dividends paid to owners of parent	(2,888)	(4,818)
Dividends paid to non-controlling interests	(678)	(40)
Net cash provided by (used in) financing activities	44,364	97,769
Effect of exchange rate changes on cash and cash equivalents	2,269	200
Net increase (decrease) in cash and cash equivalents	38,209	96,041
Cash and cash equivalents at beginning of period	123,212	107,538
Net increase (decrease) in cash and cash equivalents included in assets held for sale	(35,312)	1,784
Cash and cash equivalents at end of period	126,109	205,364

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

(Note on Going Concern Assumptions)

Not applicable.

(Segment Information)

(1) Overview of reportable segments

The Teijin Group's reportable operating segments are the components of the Teijin Group for which separate financial information is available and evaluated regularly by its Board of Directors in determining the allocation of management resources and in assessing performance.

The Teijin Group currently divides its operations into business fields, based on type of product, nature of business, and services provided. For the products and services of each business field, the Teijin Group formulates comprehensive strategies, in Japan and overseas, to drive its business activities forward.

Accordingly, the Teijin Group divides its operations into reportable operating segments on the same basis as it uses internally so the Teijin Group sets the three reportable segments, which are "Materials," "Fibers & Products Converting," and "Healthcare."

"Materials" involves the production and sale of aramid fibers, polycarbonate resin, carbon fibers, and composites, while "Fibers & Products Converting" involves the production and sale of polyester fibers and fiber products, etc. "Healthcare" includes the production and sale of pharmaceuticals and medical devices, etc. and the provision of home healthcare services.

(2) Segment revenue and performance

Results of the First Quarter of FY2024 (April 1, 2024 through June 30, 2024)

(Millions of yen)

	Reportable operating segments				Others (Note 1)	Total	Adjustments (Note 2)	Amount on condensed quarterly consolidated financial statements
	Materials	Fibers & Products Converting	Healthcare	Subtotal				
Revenue								
External	123,295	82,951	35,376	241,622	13,719	255,341	—	255,341
Intersegment	2,869	512	—	3,382	1,195	4,577	(4,577)	—
Total	126,164	83,463	35,376	245,003	14,915	259,918	(4,577)	255,341
Adjusted operating income (Note 3)	2,438	4,383	3,568	10,389	2,237	12,626	(2,227)	10,400

Note 1. "Others," which includes battery materials & membrane business and regenerative medicine & implantable medical device business, does not qualify as a reportable operating segment.

Note 2. Adjustments of the adjusted operating income of (2,227) million yen include the elimination of intersegment transactions of (145) million yen and corporate expenses of (2,082) million yen. Corporate expenses are mainly expenses related to administrative divisions of the head office that are not attributable to the reportable segments.

Note 3. Adjusted operating income is calculated by adding share of profit (loss) of investments accounted for using the equity method to operating income and excluding gains and losses due to nonrecurring factors, which include nonrecurring gains and losses such as financial gains and losses and impairment losses in share of profit (loss) of investments accounted for using the equity method.

Results of the First Quarter of FY2025 (April 1, 2025 through June 30, 2025)

(Millions of yen)

	Reportable operating segments				Others (Note 1)	Total	Adjustments (Note 2)	Amount on condensed quarterly consolidated financial statements
	Materials	Fibers & Products Converting	Healthcare	Subtotal				
Revenue								
External	114,325	82,118	33,832	230,274	12,843	243,117	—	243,117
Intersegment	2,828	578	—	3,406	851	4,257	(4,257)	—
Total	117,152	82,696	33,832	233,680	13,695	247,374	(4,257)	243,117
Adjusted operating income (Note 3)	1,064	4,087	4,001	9,152	1,503	10,654	(2,807)	7,847

Note 1. "Others," which includes battery materials & membrane business and regenerative medicine & implantable medical device business, does not qualify.

Note 2. Adjustments of the adjusted operating income of (2,807) million yen include the elimination of intersegment transactions of (174) million yen and corporate expenses of (2,633) million yen. Corporate expenses are mainly expenses related to administrative divisions of the head office that are not attributable to the reportable segments.

Note 3. Adjusted operating income is calculated by adding share of profit (loss) of investments accounted for using the equity method to operating income and excluding gains and losses due to nonrecurring factors, which include nonrecurring gains and losses such as financial gains and losses and impairment losses in share of profit (loss) of investments accounted for using the equity method.

The adjustment from adjusted operating income to profit before tax is as follows:

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Adjusted operating income	10,400	7,847
Gain on sale of fixed assets	354	10
Loss on disposal of fixed assets	(779)	(119)
Impairment losses	(284)	(3,679)
Share of loss(profit) of investments accounted for using the equity method (Note)	(1,917)	(1,364)
Other	267	(401)
Operating income	8,041	2,295
Finance income	1,937	1,365
Finance costs	(3,506)	(4,865)
Share of profit (loss) of investments accounted for using the equity method	1,917	1,267
Profit before tax	8,389	62

Note. Adjusted operating income is calculated by adding share of profit (loss) of investments accounted for using the equity method to operating income and excluding gains and losses due to nonrecurring factors, which include nonrecurring gains and losses such as financial gains and losses and impairment losses in share of profit (loss) of investments accounted for using the equity method.

(Assets Held for Sale and Discontinued Operations)

(1) Assets held for sale and liabilities directly associated with assets held for sale

A. Assets held for sale and liabilities directly associated with assets held for sale are comprised of the following:
(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets held for sale		
Cash and cash equivalents	1,798	14
Trade and other receivables	24,518	23,105
Inventories	16,015	11,772
Other current assets	3,977	3,677
Property, plant and equipment	3,105	—
Right-of-use assets	349	—
Goodwill	86	—
Intangible assets	605	—
Investments accounted for using the equity method	2,959	2,909
Other financial assets (non-current)	20	—
Retirement benefit asset	755	927
Deferred tax assets	1,089	605
Other non-current assets	113	—
Total	55,388	43,008
Liabilities directly associated with assets held for sale		
Trade and other payables	21,461	20,471
Bonds and borrowings (current)	1,000	—
Lease liabilities (current)	666	638
Other financial liabilities (current)	374	301
Income taxes payable	329	—
Provisions (current)	179	174
Other current liabilities	2,467	1,817
Bonds and borrowings (non-current)	309	299
Lease liabilities (non-current)	3,551	3,485
Retirement benefit liability	816	491
Provisions (non-current)	245	247
Deferred tax liabilities	98	—
Other non-current liabilities	120	85
Total	31,616	28,008

B. Overview of assets held for sale

The main items of assets held for sale and liabilities directly associated with assets held for sale as of June 30, 2025 relate to Teijin Automotive Technologies NA Holdings Corp. (hereinafter, "TAT") within the Materials Segment which engages in composites business for automobiles in the North America.

The Company determined its specific policy in November 2024, on negotiation with a potential buyer for the sale of all the shares it owns in TAT. As a result, the Company classified the assets and liabilities held by TAT as assets held for sale and liabilities directly associated with assets held for sale, and recognized an impairment loss on the difference between the fair value less costs of disposal and the carrying amounts. At the Board of Directors meeting held on March 31, 2025, the Company has resolved to transfer all of its shares in TAT (hereinafter, "TAT Shares"), wholly owned by our consolidated subsidiary Teijin Holdings USA, Inc. (hereinafter, "THUS"), to Stork BidCo Inc., a special purpose company of AURELIUS Private Equity Mid-Market Buyout.

The transfer of the TAT Shares was completed on July 1, 2025.

(2) Discontinued operations

A. Overview of discontinued operations

At the Board of Directors' meeting held on June 18, 2024, the Company resolved to conclude a basic agreement on transferring all INFOCOM Shares (hereinafter, "INFOCOM Shares") that it owns to INFOCOM CORPORATION (hereinafter, "INFOCOM"). As a result, the Company has classified the profit and loss, and cash flows of the "IT" Business including INFOCOM and its consolidated subsidiaries to discontinued operations for the three months ended June 30, 2024.

The transfer of the INFOCOM Shares was completed on October 22, 2024.

B. Profit or loss related to discontinued operations

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Discontinued operations		
Revenue	18,185	—
Expenses	(17,094)	—
Profit before tax from discontinued operations	1,091	—
Income tax expense	(336)	—
Profit from discontinued operations	754	—

C. Cash flows from discontinued operations

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Cash flows from discontinued operations		
Cash flows from operating activities	1,051	—
Cash flows from investing activities	(245)	—
Cash flows from financing activities	(1,403)	—
Net cash flow from discontinued operations	(597)	—

(Impairment of non-financial assets)

In the consolidated financial statements for the three months ended June 30, 2025, the Company recorded an impairment loss of 3,679 million yen, which primarily relates to the impairment loss of 1,982 million yen concerning fixed assets of TAT within the Materials Segment, and the impairment loss was due to the following reason.

In November 2024, following the decision to finalize the specific approach for negotiations with potential buyers regarding the sale of all shares in TAT, the assets and liabilities held by TAT were classified as assets held for sale and directly associated liabilities in accordance with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*. The disposal group classified as held for sale was measured at fair value less costs to sell, because fair value less costs to sell was determined to be lower than its carrying amount. As a result, the impairment loss was included in "Other expenses."

(Loss of control)

Results of the First Quarter of FY2024 (April 1, 2024, through June 30, 2024)

Not applicable

Results of the First Quarter of FY2025 (April 1, 2025, through June 30, 2025)

(1) Overview of the loss of control

On June 16, 2025, based on the share transfer agreement concluded with Nakashima Holdings. Co., Ltd. (hereinafter, "Nakashima") and Teijin Nakashima Medical Co., Ltd. (hereinafter, "Teijin Nakashima Medical") on April 25, 2025, the Company transferred all of its shares in Teijin Nakashima Medical to Nakashima and Teijin Nakashima Medical, respectively. As a result of the share transfer, the Company's ownership interest has become zero, and the Company has lost control over Teijin Nakashima Medical.

(2) Assets and liabilities with the loss of control over the Teijin Nakashima Medical

(Millions of yen)

Account Item	Amount
Breakdown of assets at the time of losing control	
Current assets	6,759
Non-current assets	4,152
Breakdown of liabilities at the time of losing control	
Current liabilities	4,224
Non-current liabilities	578

(3) Income (loss) arising from the loss of control over the Teijin Nakashima Medical

(Millions of yen)

Account Item	Amount
Gain recognized with the loss of control	795
Transaction costs associated with the sale	(97)
Gain on sale of shares of affiliates	698

(4) Changes in cash and cash equivalents with the loss of control over the Teijin Nakashima Medical

(Millions of yen)

Account Item	Amount
Cash consideration received	3,753
Cash and cash equivalents in subsidiaries excluded from the scope of consolidation	(1,100)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	2,652

(Earnings Per Share)

(1) Basic earnings per share and diluted earnings per share

(Yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Basic earnings (loss) per share	23.12	(3.84)
Continuing operations	21.34	(3.84)
Discontinued operations	1.77	—
Diluted earnings (loss) per share	23.09	(3.84)
Continuing operations	21.32	(3.84)
Discontinued operations	1.77	—

(2) Basis of calculating basic earnings per share and diluted earnings per share

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit (loss) attributable to common shareholders of parent	4,451	(740)
Continuing operations	4,109	(740)
Discontinued operations	341	—
Profit (loss) attributable to common shareholders of parent after adjustment for the effects of dilutive potential shares	4,451	(740)
Continuing operations	4,109	(740)
Discontinued operations	341	—

(Thousands of shares)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Weighted-average number of common shares	192,553	192,727
Increase in number of common shares by share subscription rights (Note)	174	—
Weighted-average number of common shares (diluted)	192,728	192,727

Note. For the three months ended June 30, 2025, there were 94 thousand potentially dilutive common shares. However, these were excluded from the calculation of diluted earnings per share due to their anti-dilutive effect.

(Significant Subsequent Events)

(The Disposal of Treasury Shares as “Restricted Stock” and “Performance Share Units”)

At a meeting of its Board of Directors held on June 25, 2025, the Company resolved to dispose of treasury shares as “Restricted Stock” and “Performance Share Units” (the “Disposal of Treasury Shares” or the “Disposal”), and disposed the treasury shares on July 22, 2025 as follows:

1. Overview of the Disposal of Treasury Shares

(1) Restricted Stock

(1) Date of disposal	July 22, 2025
(2) Class and number of shares for disposal	87,815 ordinary shares of the Company
(3) Disposal price	¥1,165.5 per share
(4) Total value of disposal	¥102,348,383
(5) Allottees and number thereof, and number of shares for disposal	Directors (excluding Outside Directors), 3 persons, 18,083 shares Teijin Group Corporate Officers, 12 persons, 34,567 shares Mission Executives, 5 persons, 19,434 shares Executives of overseas Teijin Group company, 4 persons, 15,731 shares
(6) Other	The extraordinary report regarding the Disposal of Treasury Shares has been submitted in accordance with the Financial Instruments and Exchange Act.

(2) Performance Share Units

(1) Date of disposal	July 22, 2025
(2) Class and number of shares for disposal	83,273 ordinary shares of the Company
(3) Disposal price	¥1,165.5 per share
(4) Total value of disposal	¥97,054,682
(5) Allottees and number thereof, and number of shares for disposal	Directors (excluding Outside Directors), 3 persons, 15,670 shares Teijin Group Corporate Officers, 9 persons, 21,717 shares Mission Executives (including two (2) retired members), 9 persons, 33,920 shares Executives of overseas Teijin Group company, 4 persons, 11,966 shares
(6) Other	The extraordinary report regarding the Disposal of Treasury Shares has been submitted in accordance with the Financial Instruments and Exchange Act.

2. Purpose and Reasons for the Disposal

The Company has introduced the Restricted Stock Plan and the Performance Share Units Plan for Directors who concurrently serve as Teijin Group Corporate Officers, Teijin Group Corporate Officers and Mission Executives (hereinafter collectively referred to as the “Eligible Directors”) (such stock compensation plans are hereinafter collectively referred to as the “Plans for Directors”). The Plans for Eligible Directors are intended to align with the viewpoint of corporate governance and stakeholders and to further strengthen corporate value creation from a medium- to long-term perspectives (sustainability, ESG), as well as to increase the motivation to contribute to increasing the Company's stock value by adopting an approach to take into account the funds for tax payable upon the time of release of transfer restrictions and enhancing the operability of the stock compensation plans. They also aim to establish the Company's executive compensation system as a global company, considering the Eligible Directors subject to overseas compensation plans (i.e., Eligible Directors who have also concluded employment contracts, etc. with Teijin Group companies outside Japan and originally belong to those companies) (hereinafter referred to as the “Eligible Directors subject to overseas plans”).

In addition, separately from the Plans for Directors, the Company has introduced the Restricted Stock Plan and the Performance Share Units Plan for Mission Executives who have concluded employment contracts, etc. with Teijin Group companies outside Japan and originally belong to those companies (excluding Eligible Directors subject to overseas plans) and Executives of overseas Teijin Group companies who belong to Teijin Group companies outside Japan (hereinafter referred to as “Overseas Allottees”) (such stock compensation plans are hereinafter collectively referred to as the “Plans for Overseas Allottees”, and together with the Plans for Directors, collectively referred to as the “Plans”). The Plans for Overseas Allottees are intended to provide incentives toward achievement of the Company's Medium-Term Management Plan and increasing corporate value over the medium to long-term, as well as to further align shared values

with stakeholders. The Disposal of Treasury Shares was carried out based on a resolution of the Board of Directors adopted on June 25, 2025, in accordance with the Plans for Eligible Directors (including Eligible Directors subject to overseas plans) and Overseas Allottees.

(Completion of the transfer of the subsidiary's shares)

On July 1, 2025, based on the share transfer agreement concluded with Stork BidCo Inc. on March 31, 2025, a special purpose company under AURELIUS Private Equity Mid-Market Buyout, Teijin Holdings USA Inc., the Company's wholly owned subsidiary, transferred all of its shares in Teijin Automotive Technologies NA Holdings Corporation (hereinafter, "TAT") to Stork BidCo Inc. As a result of the share transfer, the Company's ownership interest has become zero, and the Company has lost control over TAT. As a result, the Company will record a loss on sale of shares in affiliated companies of approximately 11,000 million yen in the second quarter of the fiscal year ending March 31, 2026.