Summary of Consolidated Financial Results for the Six Months Ended September 30, 2026 [IFRS]

November 5, 2026

Company name:	**TEIJIN LIMITED** (Stock code 3401) https://www.teijin.com
Stock exchange listing:	Tokyo (Prime Market)
Representative:	Akimoto Uchikawa President and CEO
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Telephone number:	+81-(0)3-3506-4395
Scheduled date for dividends payment:	December 4, 2026
Availability of supplementary information for the quarterly financial results:	Yes
Organization of briefing on the quarterly financial results:	Yes (for analysts and institutional investors)

(Amounts rounded to the nearest million yen)

1. Highlight of the Second Quarter of FY2026 (April 1, 2026 through September 30, 2026)

(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 six months ended September 30, 2026	439,562	(2.5)	30,826	136.4	70,794	—	69,605	—
For the six months ended September 30, 2025	451,043	(11.1)	13,042	(30.0)	(54,082)	—	(55,765)	—

	Profit for the period		Profit attributable to owners of parent		Comprehensive income	
	Million yen	%	Million yen	%	Million yen	%
For the six months ended September 30, 2026	52,476	—	52,541	—	59,568	—
For the six months ended September 30, 2025	(54,731)	—	(54,835)	—	(45,304)	—

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 six months ended September 30, 2026	272.26	272.16
For the six months ended September 30, 2025	(284.41)	(284.41)

(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 September 30, 2026	928,972	423,844	419,121	45.1
As of March 31, 2026	920,115	368,631	364,461	39.6

2. Dividends

	Dividends per share				
Period	1Q	2Q	3Q	4Q	Annual
	Yen	Yen	Yen	Yen	Yen
FY2025	—	25.00	—	25.00	50.00
FY2026	—	25.00			
FY2026 (outlook)			—	25.00	50.00

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

3. Forecast for Operating Results in the Fiscal Year Ending March 31, 2027 (FY 2026)

(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
FY2026 annual	920,000	(5.4)	40,000	(55.2)	75,000	—	50,000	—	259.04

Note: Revision of outlook for FY2026 consolidated operating results in the second quarter: Yes

For the forecast for operating results, please refer to the “Results of FY2026 2Q & Outlook for FY2026” released today.

■ Notes

(1) Significant changes in the scope of consolidation for the six months ended September 30, 2026: None

(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 September 30, 2026:	197,953,707 shares
As of March 31, 2026:	197,953,707 shares

b. Number of treasury shares

As of September 30, 2026:	4,883,692 shares
As of March 31, 2026:	5,037,805 shares

c. Average number of issued and outstanding shares during the period

The six months ended September 30, 2026:	192,981,777 shares
The six months ended September 30, 2025:	192,800,755 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

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1. The Overview of Results of Operations, etc.

The overview of consolidated results of operations, etc., for the second quarter of the fiscal year ending March 31, 2027, is disclosed on our company's website and on TDnet (Timely Disclosure network) today through Results of FY2026 2Q & Outlook for FY2026.

2. Condensed Consolidated Financial Statements and Notes Thereto

(1) Condensed Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	104,474	116,397
Trade and other receivables	167,365	168,675
Inventories	208,820	220,359
Other financial assets	12,179	11,592
Other current assets	20,155	16,242
Subtotal	512,993	533,264
Assets held for sale	15,089	6,339
Total current assets	528,082	539,603
Non-current assets		
Property, plant and equipment	218,141	211,458
Right-of-use assets	19,147	20,085
Goodwill	7,897	7,856
Intangible assets	50,967	51,405
Investment property	10,383	10,052
Investments accounted for using the equity method	37,996	40,690
Other financial assets	29,108	34,289
Retirement benefit asset	905	930
Deferred tax assets	13,373	8,635
Other non-current assets	4,116	3,967
Total non-current assets	392,033	389,369
Total assets	920,115	928,972

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	103,592	96,704
Bonds and borrowings	129,411	109,534
Lease liabilities	7,583	7,838
Other financial liabilities	10,613	6,142
Income taxes payable	3,730	10,248
Provisions	1,475	3,598
Other current liabilities	43,061	42,948
Subtotal	299,465	277,012
Liabilities directly associated with assets held for sale	2,452	2,504
Total current liabilities	301,917	279,517
Non-current liabilities		
Bonds and borrowings	182,064	156,009
Lease liabilities	17,354	17,637
Other financial liabilities	5,472	5,091
Retirement benefit liability	34,272	33,317
Provisions	1,007	1,080
Deferred tax liabilities	3,337	6,564
Other non-current liabilities	6,061	5,912
Total non-current liabilities	249,566	225,611
Total liabilities	551,483	505,128
Equity		
Share capital	71,833	71,833
Capital surplus	105,701	105,631
Retained earnings	138,509	186,512
Treasury shares	(10,974)	(10,638)
Other components of equity	58,634	65,633
Other comprehensive income associated with assets held for sale	758	151
Total equity attributable to owners of parent	364,461	419,121
Non-controlling interests	4,171	4,723
Total equity	368,631	423,844
Total liabilities and equity	920,115	928,972

(2) Condensed 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 six months ended September 30, 2025	For the six months ended September 30, 2026
Continuing operations		
Revenue	451,043	439,562
Cost of sales	(386,535)	(319,083)
Gross profit	64,508	120,479
Selling, general and administrative expenses	(106,915)	(104,243)
Other income	4,406	55,367
Other expenses	(16,082)	(810)
Operating income(loss)	(54,082)	70,794
Finance income	2,368	2,691
Finance costs	(6,225)	(4,283)
Share of profit of investments accounted for using the equity method	2,175	404
Profit(loss) before tax	(55,765)	69,605
Income tax expense	1,033	(17,129)
Profit(loss)	(54,731)	52,476
Profit(loss) attributable to:		
Owners of parent	(54,835)	52,541
Non-controlling interests	104	(64)
Profit(loss)	(54,731)	52,476
Earnings(loss) per share		
Basic earnings(loss) per share	(284.41)	272.26
Diluted earnings(loss) per share	(284.41)	272.16

(Condensed Consolidated Statements of Comprehensive Income)

For the six months ended September 30, 2025 and 2026

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit(loss)	(54,731)	52,476
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	874	3,885
Remeasurements of defined benefit plans	187	(0)
Share of other comprehensive income of investments accounted for using the equity method	(0)	(2)
Total of items that will not be reclassified to profit or loss	1,061	3,882
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	284	3,343
Exchange differences on translation of foreign operations	8,114	425
Share of other comprehensive income of investments accounted for using the equity method	(31)	(557)
Total of items that may be reclassified to profit or loss	8,366	3,210
Total other comprehensive income, net of tax	9,427	7,092
Comprehensive income	(45,304)	59,568
Comprehensive income attributable to:		
Owners of parent	(45,410)	59,647
Non-controlling interests	106	(79)
Comprehensive income	(45,304)	59,568

(3) Condensed Consolidated Statements of Changes in Equity

For the six months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Financial assets measured at fair value through other comprehe-nsive income	Remeasur-ements of defined benefit plans
Balance as of April 1, 2025	71,833	105,708	231,726	(11,411)	162	8,891	—
Profit(loss)	—	—	(54,835)	—	—	—	—
Other comprehensive income	—	—	—	—	—	873	187
Total comprehensive income	—	—	(54,835)	—	—	873	187
Purchase of treasury shares	—	—	—	(2)	—	—	—
Disposal of treasury shares	—	(10)	—	36	(26)	—	—
Transfer of loss on disposal of treasury shares	—	181	(181)	—	—	—	—
Share-based payment expenses	—	(235)	—	365	—	—	—
Dividends	—	—	(4,818)	—	—	—	—
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	—	—	578	—	—	(391)	(187)
Total transactions with owners	—	(64)	(4,420)	399	(26)	(391)	(187)
Balance as of September 30,2025	71,833	105,644	172,471	(11,012)	136	9,374	—

(Millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Other comprehe-nsive income associated with assets held for sale	Total equity attributable to owners of parent		
	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)	—	—	—	—	(54,835)	104	(54,731)
Other comprehensive income	284	8,081	9,426	—	9,426	2	9,427
Total comprehensive income	284	8,081	9,426	—	(45,410)	106	(45,304)
Purchase of treasury shares	—	—	—	—	(2)	—	(2)
Disposal of treasury shares	—	—	(26)	—	0	—	0
Transfer of loss on disposal of treasury shares	—	—	—	—	—	—	—
Share-based payment expenses	—	—	—	—	130	—	130
Dividends	—	—	—	—	(4,818)	(40)	(4,858)
Transfer to non-financial assets	(60)	—	(60)	—	(60)	—	(60)
Transfer to other comprehensive income associated with assets held for sale	—	(586)	(586)	586	—	—	—
Change in scope of consolidation	—	(1,134)	(1,134)	1,134	—	(3,044)	(3,044)
Transfer from other components of equity to retained earnings	—	—	(578)	—	—	—	—
Total transactions with owners	(60)	(1,720)	(2,385)	1,720	(4,750)	(3,084)	(7,834)
Balance as of September 30, 2025	1,154	31,033	41,697	586	381,218	4,185	385,404

For the six months ended September 30, 2026

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Financial assets measured at fair value through other comprehe-nsive income	Remeasur-ements of defined benefit plans
Balance as of April 1, 2026	71,833	105,701	138,509	(10,974)	105	9,926	—
Profit(loss)	—	—	52,541	—	—	—	—
Other comprehensive income	—	—	—	—	—	3,885	(0)
Total comprehensive income	—	—	52,541	—	—	3,885	(0)
Purchase of treasury shares	—	—	—	(3)	—	—	—
Disposal of treasury shares	—	—	—	—	—	—	—
Transfer of loss on disposal of treasury shares	—	82	(82)	—	—	—	—
Share-based payment expenses	—	(153)	—	340	—	—	—
Dividends	—	—	(4,823)	—	—	—	—
Transfer to non-financial assets	—	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	11	—
Change in scope of consolidation	—	—	(300)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	668	—	—	(668)	0
Total transactions with owners	—	(70)	(4,538)	337	—	(657)	0
Balance as of September 30, 2026	71,833	105,631	186,512	(10,638)	105	13,154	—

(Millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Other comprehe-nsive income associated with assets held for sale	Total equity attributable to owners of parent		
	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Total				
Balance as of April 1, 2026	(1,736)	50,339	58,634	758	364,461	4,171	368,631
Profit(loss)	—	—	—	—	52,541	(64)	52,476
Other comprehensive income	3,343	(121)	7,107	—	7,107	(15)	7,092
Total comprehensive income	3,343	(121)	7,107	—	59,647	(79)	59,568
Purchase of treasury shares	—	—	—	—	(3)	—	(3)
Disposal of treasury shares	—	—	—	—	—	—	—
Transfer of loss on disposal of treasury shares	—	—	—	—	—	—	—
Share-based payment expenses	—	—	—	—	187	—	187
Dividends	—	—	—	—	(4,823)	(61)	(4,884)
Transfer to non-financial assets	(47)	—	(47)	—	(47)	—	(47)
Transfer to other comprehensive income associated with assets held for sale	—	—	11	(11)	—	—	—
Change in scope of consolidation	—	596	596	(596)	(300)	692	392
Transfer from other components of equity to retained earnings	—	—	(668)	—	—	—	—
Total transactions with owners	(47)	596	(108)	(607)	(4,987)	631	(4,355)
Balance as of September 30, 2026	1,559	50,815	65,633	151	419,121	4,723	423,844

(4) Condensed Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit(loss) before tax	(55,765)	69,605
Depreciation and amortization	31,366	25,067
Impairment losses	52,233	2,059
Share of loss (profit) of investments accounted for using the equity method	(2,175)	(404)
Increase or decrease in retirement benefit asset or liability	3,346	(748)
Interest and dividend income	(2,089)	(2,275)
Interest expenses	3,803	3,105
Loss (gain) on sale or disposal of fixed assets	(1,486)	(4,385)
Loss (gain) on sale of shares of affiliates	11,129	(45,488)
Decrease (increase) in trade and other receivables	(844)	(1,512)
Decrease (increase) in inventories	9,110	(9,660)
Increase (decrease) in trade and other payables	(8,253)	(1,840)
Other	(2,231)	9,295
Subtotal	38,145	42,819
Interest and dividends received	6,606	2,551
Interest paid	(3,956)	(2,943)
Income taxes paid	(1,880)	(5,055)
Net cash provided by (used in) operating activities	38,915	37,371
Cash flows from investing activities		
Payments into time deposits	(1)	(3,311)
Proceeds from withdrawal of time deposits	10	2,215
Purchase of property, plant and equipment	(33,101)	(20,553)
Proceeds from sale of property, plant and equipment	2,923	5,430
Purchase of intangible assets	(3,813)	(5,114)
Proceeds from sale of intangible assets	—	3,540
Purchase of investment securities	(477)	(1,077)
Proceeds from sale of investment securities	577	46,231
Net decrease (increase) in short-term loans receivable	(880)	(471)
Proceeds from (payments for) sale of shares of subsidiaries resulting in change in scope of consolidation	4,078	1,111
Other	(492)	(228)
Cash flows from investing activities	(31,176)	27,774

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	35,073	(34,661)
Repayments of long-term borrowings	(36,698)	(14)
Redemption of bonds	—	(10,000)
Repayments of lease liabilities	(3,026)	(2,798)
Purchase of treasury shares	(2)	(3)
Dividends paid to owners of parent	(4,818)	(4,823)
Dividends paid to non-controlling interests	(40)	(61)
Net cash provided by (used in) financing activities	(9,511)	(52,361)
Effect of exchange rate changes on cash and cash equivalents	3,382	(860)
Net increase (decrease) in cash and cash equivalents	1,610	11,924
Cash and cash equivalents at beginning of period	107,538	104,474
Net increase (decrease) in cash and cash equivalents included in assets held for sale	1,798	(1)
Cash and cash equivalents at end of period	110,947	116,397

(5) Notes to the Condensed Consolidated Financial Statements

(Note on Going Concern Assumptions)

Not applicable.

(Changes in reportable operating segments)

For the six months ended September 30, 2026, the Company changed its reportable operating segments from the previous three segments of “Materials,” “Fibers & Products Converting,” and “Healthcare” to the following four segments: “Apparel & Industries,” “Healthcare & Life Solutions,” “Electronics & Energy,” and “Specialty Materials.” This change reflects the organizational restructuring implemented on April 1, 2026. Through this reorganization, the Company will operate its organizational structure in line with the stage of development of the Customer-Driven business, thereby further deepening this business model. In the materials businesses, the Company will also promote a transformation from a Material-driven business to Customer-Diven business and applications.
Segment information for the six months ended September 30, 2025 is disclosed based on the new classification of reportable operating segments.

(Segment Information)

Results of the Second Quarter of FY2025 (April 1, 2025 through September 30, 2025)

(Millions of yen)

	Reportable operating segments					Others (Note 1)	Total	Adjustments (Note 2)	Amount on condensed consolidated financial statements
	Apparel & Industries	Healthcare & Life Solutions	Electronics & Energy	Specialty Materials	Subtotal				
Revenue									
External	170,402	68,356	75,616	125,074	439,447	11,596	451,043	—	451,043
Intersegment	1,168	—	1,119	4,860	7,148	1,775	8,923	(8,923)	—
Total	171,570	68,356	76,735	129,935	446,595	13,371	459,967	(8,923)	451,043
Adjusted operating income (Note 3)	8,972	7,064	9,850	(6,233)	19,653	(1,086)	18,567	(5,525)	13,042

Note 1. “Others,” which includes regenerative medicine & implantable medical device business, does not qualify.

Note 2. Adjustments of the adjusted operating income of (5,525) million yen include the elimination of intersegment transactions of (32) million yen and corporate expenses of (5,493) 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 Second Quarter of FY2026 (April 1, 2026 through September 30, 2026)

(Millions of yen)

	Reportable operating segments					Others (Note 1)	Total	Adjustments (Note 2)	Amount on condensed consolidated financial statements
	Apparel & Industries	Healthcare & Life Solutions	Electronics & Energy	Specialty Materials	Subtotal				
Revenue									
External	185,245	63,824	89,902	92,050	431,021	8,540	439,562	—	439,562
Intersegment	1,097	—	2,464	5,271	8,832	1,805	10,637	(10,637)	—
Total	186,342	63,824	92,366	97,321	439,854	10,346	450,199	(10,637)	439,562
Adjusted operating income (Note 3)	9,668	7,123	16,815	5,761	39,366	(3,197)	36,170	(5,344)	30,826

Note 1. “Others,” which includes regenerative medicine & implantable medical device business, does not qualify.

Note 2. Adjustments of the adjusted operating income of (5,344) million yen include the elimination of intersegment transactions of (309) million yen and corporate expenses of (5,034) 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 six months ended September 30, 2025	For the six months ended September 30, 2026
Adjusted operating income	13,042	30,826
Gain on sale of fixed assets	1,883	8,537
Loss on disposal of fixed assets	(397)	(611)
Impairment losses	(52,233)	(2,059)
Special retirement benefits (Note 1)	(2,336)	(10,612)
Gain (loss) on sale of shares of affiliates (Note 2)	(11,129)	45,488
Share of loss(profit) of investments accounted for using the equity method (Note 3)	(2,366)	(353)
Other	(546)	(422)
Operating income (loss)	(54,082)	70,794
Finance income	2,368	2,691
Finance costs	(6,225)	(4,283)
Share of profit (loss) of investments accounted for using the equity method	2,175	404
Profit before tax (loss)	(55,765)	69,605

Note 1. “Special retirement benefits” for FY2026, mainly relate to Early Retirement Incentive Program and business structural reform.

Note 2. Gain (loss) on sale of shares of affiliates for the six months ended September 30, 2026 resulted from the sale of shares of DuPont Teijin Advanced Papers Limited and DuPont Teijin Advanced Papers (Asia) Limited.

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.

(Significant Subsequent Events)

Business Integration through Acquisition

Teijin Frontier Co., Ltd., a wholly-owned subsidiary of the Company, conducted an absorption-type merger on October 1, 2026, with Teijin Frontier Co., Ltd. as the surviving company and Asahi Kasei Advance Corporation, a wholly-owned subsidiary of Asahi Kasei Corporation, as the absorbed company, based on the absorption-type merger agreement concluded on July 30, 2026 and the resolution approving the agreement at the extraordinary shareholders’ meeting held on September 24, 2026.

Following the absorption-type merger, the surviving company changed its name to TA Frontier Co., Ltd.

(1)Outline of the Business Integration

① Name of the acquiree and line of business

・Name of the acquiree: Asahi Kasei Advance Corporation

・Principal line of business: Sales and other related activities involving textile products, chemicals, synthetic resin, construction materials and other materials, and related products.

② Date of Acquisition
October 1, 2026

③ Percentage of voting equity interests acquired
80%
As a result of the absorption-type merger, all assets, liabilities, and other rights and obligations of Asahi Kasei Advance Corporation were succeeded to by the surviving company, and accordingly, the Group obtained control over the business of the acquiree. Immediately following the absorption-type merger, the voting rights in TA Frontier Co., Ltd. were held 80% by the Company and 20% by Asahi Kasei Corporation.

④ Primary reasons for business integration and method of obtaining control
The business integration aims to achieve sustainable growth and maximize corporate value by mutually complementing the business bases, sales networks, and customer bases of Teijin Frontier Co., Ltd. and Asahi Kasei Advance Corporation and combining the unique strengths of both companies in the field of textiles and materials. Specifically, the integration aims to create cross-selling opportunities by expanding the sales channels and products handled by both companies, reduce procurement costs and establish a stable supply system by integrating value chains, and improve product development speed, thereby achieving sustainable growth and maximizing the corporate value of the combined company.
In the absorption-type merger, Teijin Frontier Co., Ltd. was the surviving company and Asahi Kasei Advance Corporation was the absorbed company, and 5,000,500 shares of common stock of the surviving company were allotted to Asahi Kasei Corporation. As a result, the Company has obtained control over the acquiree's business through the combined company, as it holds 80% of the voting rights in the combined company and has the right to appoint a majority of the directors and the representative director, among other factors.
The acquiree includes subsidiaries of Asahi Kasei Advance Corporation.

(2) Consideration Transferred
The consideration transferred in the business integration consists of 5,000,500 shares of common stock of TA Frontier Co., Ltd. delivered to Asahi Kasei Corporation associated with the absorption-type merger.
The fair value of the shares constituting the consideration transferred as of the acquisition date is currently under valuation and has not yet been determined.

(3) Details and Amount of Acquisition-related Costs
The amount has not yet been determined as of the reporting date.

(4) Assets Acquired and Liabilities Assumed
The amounts have not yet been determined as of the reporting date.

(5) Goodwill Arising from the Acquisition
The amount of goodwill arising from the business integration has not yet been determined, as the calculation of the consideration transferred referred to above and the fair values as of the acquisition date of the identifiable assets acquired and liabilities assumed has not yet been completed.