

**Announcement of Business Results for
the Fiscal Year Ended March 2026
and Business Forecast for
the Fiscal Year Ending March 2027**

May 13, 2026
Toray Industries, Inc.

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Summary of Business Performance and Forecast

Consolidated Business Results

- 1 Core operating income of FY Mar/26: 141.9 billion yen, a slight decrease year-on-year
- 2 Core operating income of FY Mar/27: Forecast 160 billion yen, factoring in the impact of the situation of the Middle East

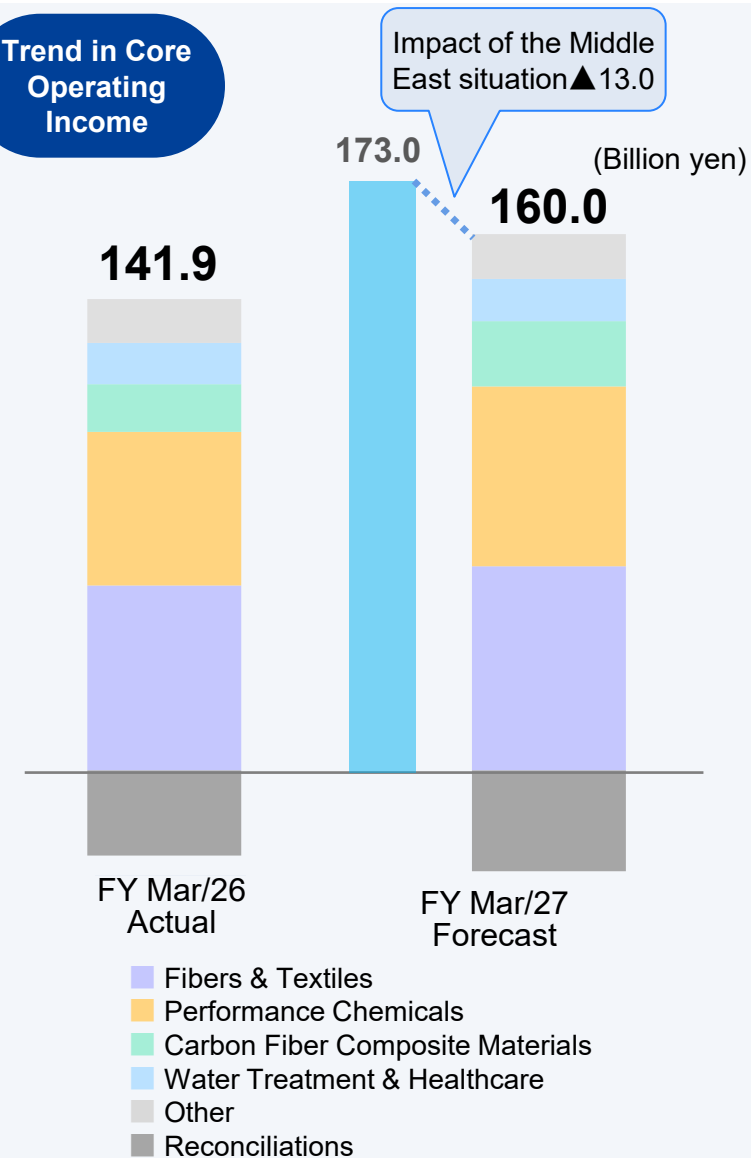
Billion yen	FY Mar/26 Actual		Billion yen	FY Mar/27 Forecast	
	Core Operating Income	Changes		Core Operating Income	Changes
Fibers & Textiles	68.0	+3.9	Fibers & Textiles	75.0	+7.0
Performance Chemicals	56.3	-3.7	Performance Chemicals	66.0	+9.7
Carbon Fiber Composite Materials	17.6	-4.9	Carbon Fiber Composite Materials	24.0	+6.4
Environment & Engineering	28.8	+2.9	Water Treatment & Healthcare*	15.5	+0.4
Life Science	▲ 0.1	+0.7	Other*	16.5	+0.4
Other	2.5	+0.0	Reconciliations	▲ 37.0	-5.8
Reconciliations	▲ 31.2	+0.3	Total	160.0	+18.1
Total	141.9	-0.8			

*From FY Mar/27, the water treatment business and pharmaceuticals and medical products business will be integrated into a single segment, Water Treatment & Healthcare. The engineering business will be included in Other.

Shareholders Return

- 1 FY Mar/26 annual dividend per share: Planned at 20 yen, an increase of 2 yen year-on-year
- 2 FY Mar/27 annual dividend per share: Planned at 26 yen, including a commemorative dividend of 3 yen for the Company's 100th anniversary to be paid as part of the interim dividend (a 6 yen increase year-on-year)

Trend in Core Operating Income



Business Results

for the Fiscal Year Ended March 2026

Summary of Consolidated Business Results for the Fiscal Year Ended March 2026

	FY Mar/25	FY Mar/26	Changes	Billion yen
Revenue	2,563.3	2,585.1	+21.8 (+0.9%)	
Core Operating Income	142.8	141.9	-0.8 (-0.6%)	
Core Operating Margin	5.6%	5.5%	-0.1 points	
Special Items	▲ 15.3	▲ 44.7	-29.4	
Finance Income and Costs	▲ 10.8	▲ 11.2	-0.3	
Share of Profit (loss) of Investments Accounted for Using Equity Method ^{*1}	▲ 2.4	21.5	+23.9	
Profit Before Tax	114.3	107.6	-6.7 (-5.9%)	
Profit Attributable to Owners of Parent	77.9	79.5	+1.6 (+2.1%)	

Earning per Share	48.93 yen	52.96 yen
Dividend per Share	18.00 yen	20.00 yen

ROIC ^{*2}	4.4%	4.7%
ROE	4.5%	4.5%

<Exchange Rate>

		FY Mar/25	FY Mar/26
<Yen / US\$>	Average	152.6	150.8
	End of the Term	149.5	159.9
<Yen / Euro>	Average	163.7	174.8
	End of the Term	162.1	183.4

*1: Toray recorded a share of loss of 12.9 billion yen from its equity-method investment in LG Toray Hungary Battery Separator Kft. for FY Mar/25, mainly reflecting an impairment loss on fixed assets at the company due to worsening profitability amid sluggish EV markets in the U.S. and Europe.

*2: ROIC=Core operating income after tax / average invested capital (average of the balances at beginning and end of the period)

Special Items

Billion yen

	FY Mar/25	FY Mar/26	Changes
Gain on Sale or Disposal of Fixed Assets	4.2	0.7	-3.5
Loss on Sale or Disposal of Fixed Assets	▲ 7.7	▲ 10.2	-2.5
Impairment Losses^{*1}	▲ 9.9	▲ 33.8	-23.9
Economic Compensation^{*2}	▲ 1.9	-	+1.9
Loss on Warehouse Fire^{*3}	-	▲ 1.4	-1.4
Special Items	▲ 15.3	▲ 44.7	-29.4

*1 For FY Mar/26: Including impairment losses in battery separator films business in the performance chemicals business due to the worsened profitability at a subsidiary in the Republic of Korea.

*2 Estimated compensation to employees accompanying the production transfer from Toray Plastics (Shenzhen) Ltd., a resin compound manufacturing and sales subsidiary in China, to Toray Resins (Foshan) Co., Ltd. in the performance chemicals business.

*3 Losses accompanying the lost of inventories due to fire at P.T. TAK Textiles Indonesia, a textiles manufacturing and sales subsidiary in the fibers & textiles business.

Assets, Liabilities, Equity, and Free Cash Flow

Billion yen

	End of Mar/25	End of Mar/26	Changes
Total Assets	3,292.6	3,477.0	+184.4
Current Assets	1,462.0	1,529.0	+67.0
Property, Plant and Equipment	1,109.6	1,175.9	+66.3
Other Non-Current Assets	721.0	772.1	+51.1

Total Liabilities	1,472.0	1,549.1	+77.1
Current Liabilities	857.5	858.0	+0.5
Non-Current Liabilities	614.5	691.2	+76.7
Equity	1,820.6	1,927.8	+107.3

Owner's Equity *	1,709.0	1,800.1	+91.1
Equity Ratio *	51.9%	51.8%	-0.1 points

Interest-Bearing Liabilities	842.7	905.6	+62.9
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D/E Ratio	0.49	0.50	+0.01
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<Free Cash Flow>

	FY Mar/25	FY Mar/26	Changes
Cash Flows from Operating Activities	255.0	211.8	-43.3
Cash Flows from Investing Activities	▲ 63.2	▲ 66.9	-3.7
Free Cash Flow	191.8	144.8	-47.0

*Owner's equity=average equity attributable to owners of parent

Revenue and Core Operating Income by Segment, and Factor Analysis of Core Operating Income

Business Performance

The Fibers & Textiles segment remained robust mainly in the apparel applications.

The Performance Chemicals segment was affected by the weak market conditions, and the Carbon Fiber Composite Materials segment was impacted by demand correction (including the businesses that fall under structural reform) in the industrial applications.

As a result, core operating income of the entire Group decreased 0.6% year-on-year to 141.9 billion yen.

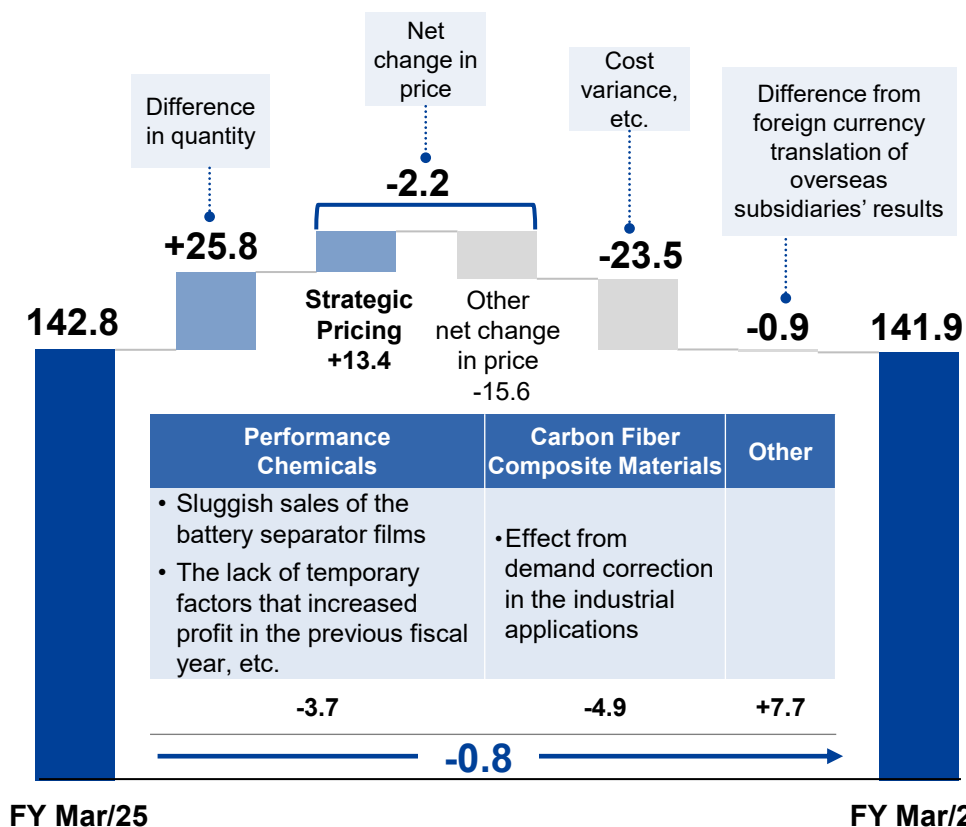
Revenue and Core Operating Income

(Billion yen)

	FY Mar/25	FY Mar/26	Changes	
Revenue	Fibers & Textiles	1,051.1	+40.0	(+4.0%)
	Performance Chemicals	894.4	-50.4	(-5.3%)
	Carbon Fiber Composite Materials	300.1	+0.1	(+0.0%)
	Environment & Engineering	266.9	+30.4	(+12.8%)
	Life Science	52.4	-0.7	(-1.4%)
	Other	20.2	+2.5	(+14.0%)
	Total	2,585.1	+21.8	(+0.9%)
Core Operating Income	Fibers & Textiles	68.0	+3.9	(+6.0%)
	Performance Chemicals	56.3	-3.7	(-6.2%)
	Carbon Fiber Composite Materials	17.6	-4.9	(-21.7%)
	Environment & Engineering	28.8	+2.9	(+11.2%)
	Life Science	▲ 0.1	+0.7	(-)
	Other	2.5	+0.0	(+1.1%)
	Reconciliations	▲ 31.2	+0.3	
	Total	141.9	-0.8	(-0.6%)
Core Operating Margin		5.5%	-0.1 points	

Changes in Core Operating Income

(Billion yen)



Business Performance by Segment (Fibers & Textiles)

Business Performance

- **Apparel Applications**
- **Industrial Applications**

Strong overall, despite the stagnation in the European market and the continued impact of the intensified competition with overseas products.

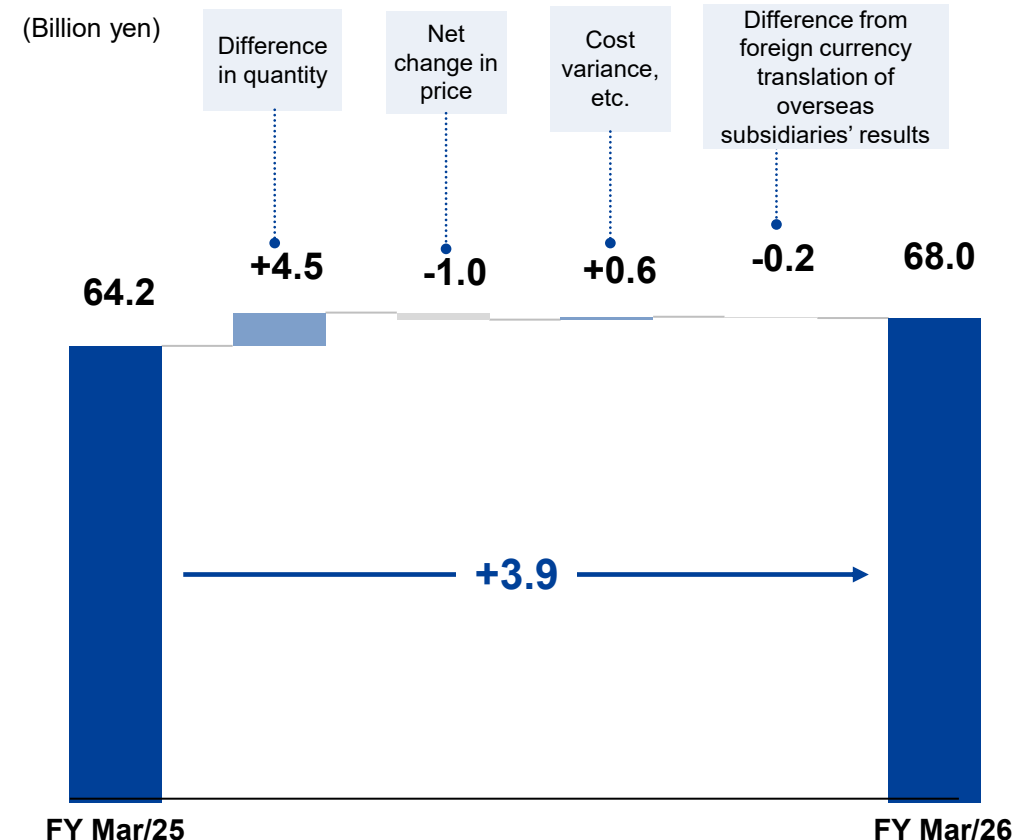
Amid a sense of stagnation in the markets including the automotive applications, the Group strived to reduce costs.

Revenue and Core Operating Income

(Billion yen)

		FY Mar/25	FY Mar/26	Changes
Revenue	Toray	223.8	236.0	+12.2 (+5.5%)
	Japanese Subsidiaries	502.9	519.0	+16.1 (+3.2%)
	Overseas Subsidiaries	673.9	695.9	+22.0 (+3.3%)
	Adjustments	▲ 389.5	▲ 399.8	-10.3
	Total	1,011.1	1,051.1	+40.0 (+4.0%)
Core Operating Income	Toray	14.3	18.0	+3.7 (+25.9%)
	Japanese Subsidiaries	15.2	15.2	+0.0 (+0.1%)
	Overseas Subsidiaries	34.3	34.5	+0.3 (+0.8%)
	Adjustments	0.4	0.3	-0.1
	Total	64.2	68.0	+3.9 (+6.0%)

Changes in Core Operating Income



Business Performance by Segment (Performance Chemicals)

Business Performance

- **Resins, Chemicals Business**
- **Films Business**
- **Electronic & Information Materials Business**

The resins business stagnated due to the impact of the slowdown in the automotive applications while the chemicals business also was affected by the worsening market conditions.

Demand for electronic component-related applications and automotive capacitor applications grew, while sales of battery separator film stagnated.

Sales of new products for power inductor application expanded, while OLED-related materials and circuit materials were affected by the slow demand for display panels and intensified competition in China.

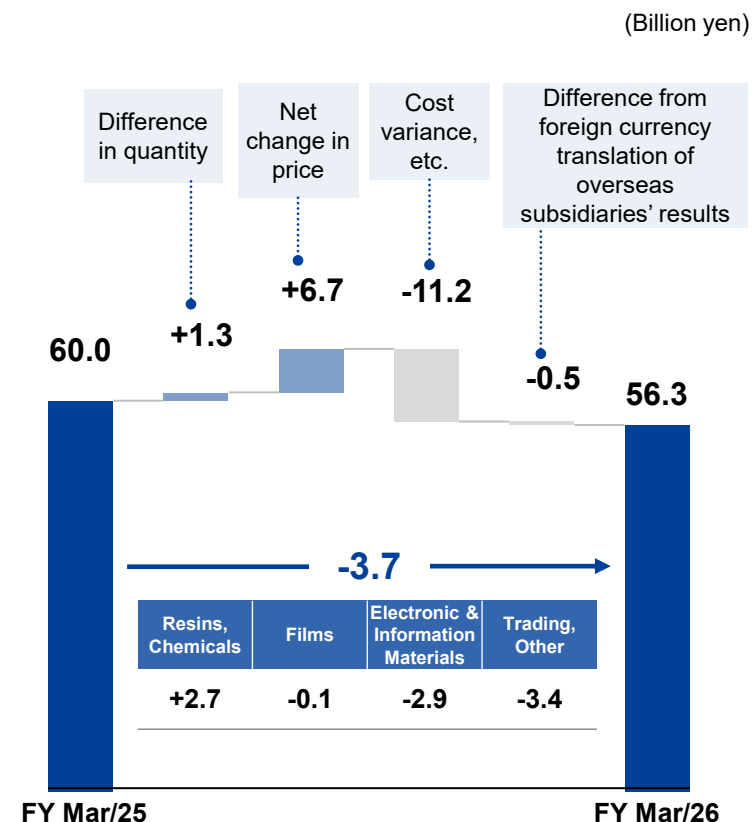
Revenue and Core Operating Income

(Billion yen)		FY Mar/25	FY Mar/26	Changes	
Revenue	Toray	252.3	248.4	-4.0	(-1.6%)
	Japanese Subsidiaries	501.0	484.4	-16.7	(-3.3%)
	Overseas Subsidiaries	664.7	587.1	-77.5	(-11.7%)
	Adjustments	▲ 473.2	▲ 425.5	+47.7	
	Total	944.9	894.4	-50.4	(-5.3%)
Core Operating Income	Toray	11.4	11.4	+0.0	(+0.0%)
	Japanese Subsidiaries	24.3	24.1	-0.2	(-0.8%)
	Overseas Subsidiaries	24.4	21.2	-3.2	(-13.2%)
	Adjustments	▲ 0.1	▲ 0.4	-0.3	
	Total	60.0	56.3	-3.7	(-6.2%)

Revenue by Subsegment

(Billion yen)		FY Mar/25		FY Mar/26		
			Ratio		Ratio	Percent Changes
Revenue	Resins, Chemicals	427.5	30%	407.2	31%	-5%
	Films	365.3	26%	345.5	26%	-5%
	Electronic & Information Materials	71.5	5%	72.6	6%	+2%
	Trading, Other	553.7	39%	494.6	37%	-11%
	Adjustments	▲ 473.2	-	▲ 425.5	-	-
Total		944.9		894.4		-5%

Changes in Core Operating Income



Business Performance by Segment (Carbon Fiber Composite Materials)

Business Performance

- Aerospace Applications** Sales for a major customer have steadily recovered accompanying the alleviation of inventory adjustment in supply chain.
- Industrial Applications** Including the pressure vessel applications, entered an adjustment phase. Recovery of wind turbine blade applications was also delayed.

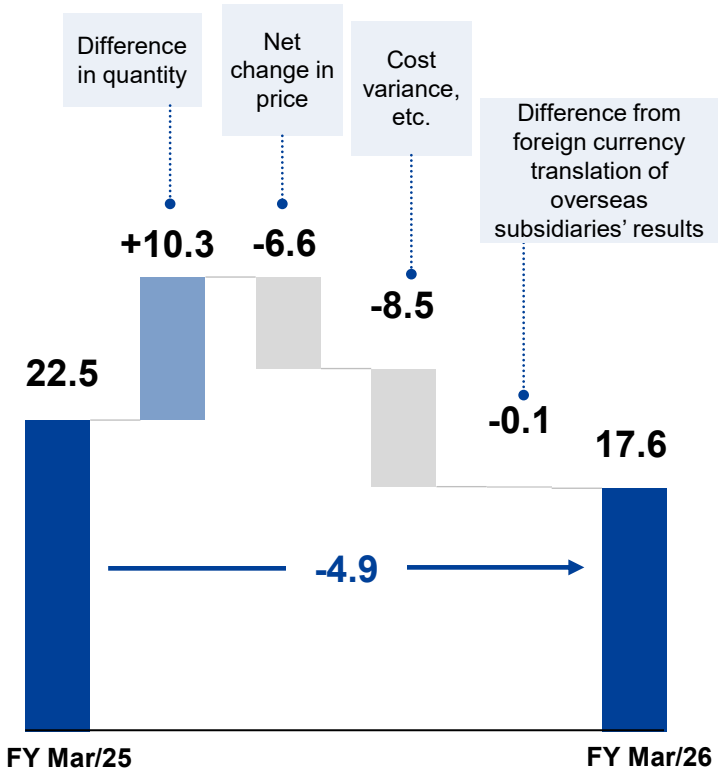
Revenue and Core Operating Income

(Billion yen)		FY Mar/25	FY Mar/26	Changes	
Revenue	Toray	101.6	93.1	-8.5	(-8.4%)
	Japanese Subsidiaries	64.2	73.5	+9.3	(+14.4%)
	Overseas Subsidiaries	273.7	277.1	+3.4	(+1.3%)
	Adjustments	▲ 139.6	▲ 143.7	-4.1	
	Total	300.0	300.1	+0.1	(+0.0%)
Core Operating Income	Toray	12.8	13.0	+0.2	(+1.6%)
	Japanese Subsidiaries	1.6	1.6	+0.0	(+1.3%)
	Overseas Subsidiaries	11.0	7.0	-3.9	(-35.8%)
	Adjustments	▲ 2.8	▲ 4.0	-1.2	
	Total	22.5	17.6	-4.9	(-21.7%)

Revenue by Subsegment

(Billion yen)		FY Mar/25		FY Mar/26		
			Ratio		Ratio	Percent Changes
Revenue	Aerospace	104.9	35%	118.4	39%	+13%
	Sports	29.5	10%	28.2	9%	-5%
	Industrial	165.6	55%	153.5	51%	-7%
	Total	300.0		300.1		+0%

Changes in Core Operating Income



Business Results by Segment (Environment & Engineering)

Business Performance

■ Water Treatment Business

Reverse osmosis (RO) membranes for the Middle East and plant construction projects in Japan remained solid. However, the business was affected by the stagnant market conditions in China and intensified competitions.

■ Japanese Subsidiaries

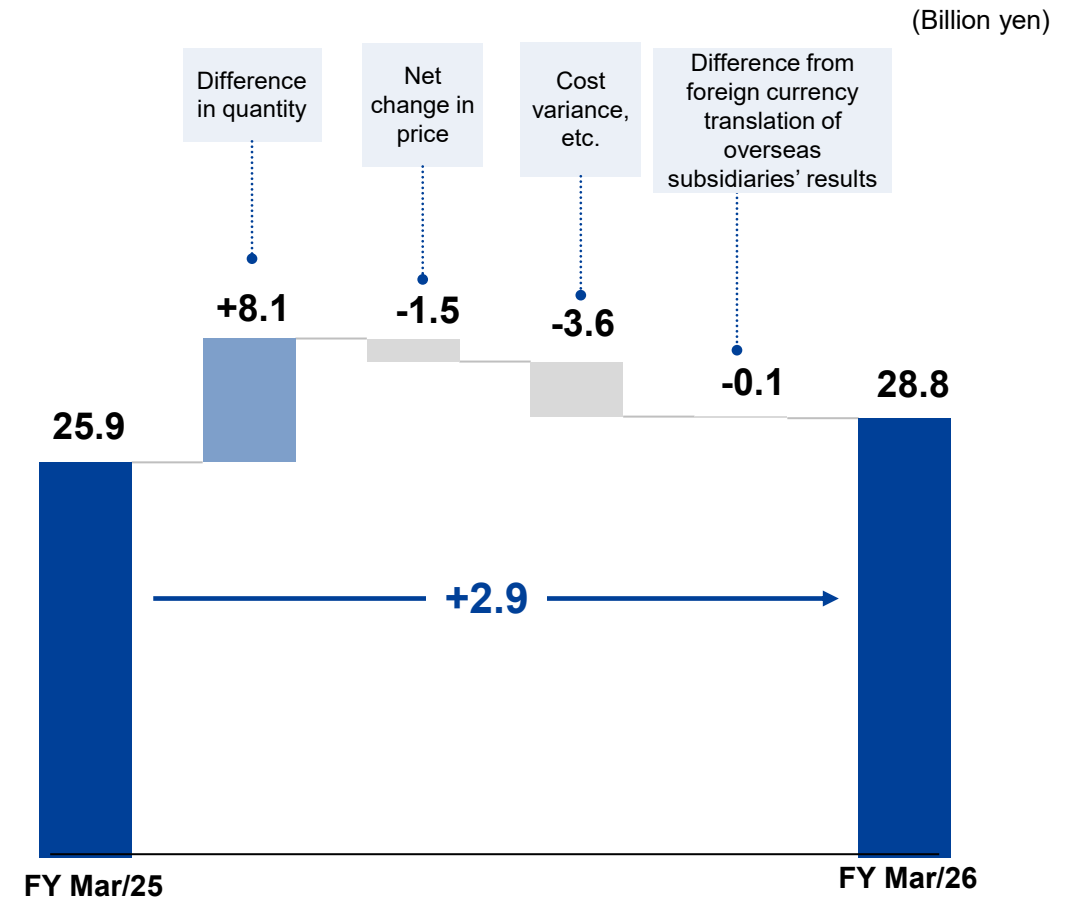
Engineering and construction subsidiaries remained strong.

Revenue and Core Operating Income

(Billion yen)

	FY Mar/25	FY Mar/26	Changes
Revenue	Toray	42.6	35.0
			-7.6 (-17.7%)
	Japanese Subsidiaries	261.6	265.6
			+4.0 (+1.5%)
	Overseas Subsidiaries	69.8	79.2
			+9.4 (+13.5%)
	Adjustments	▲ 137.4	▲ 113.0
			+24.5
	Total	236.5	266.9
			+30.4 (+12.8%)
Core Operating Income	Toray	4.6	4.1
			-0.6 (-12.0%)
	Japanese Subsidiaries	14.2	16.3
			+2.1 (+14.9%)
	Overseas Subsidiaries	6.9	8.7
			+1.8 (+25.6%)
	Adjustments	0.1	▲ 0.3
			-0.4
	Total	25.9	28.8
			+2.9 (+11.2%)

Changes in Core Operating Income



Business Results by Segment (Life Science)

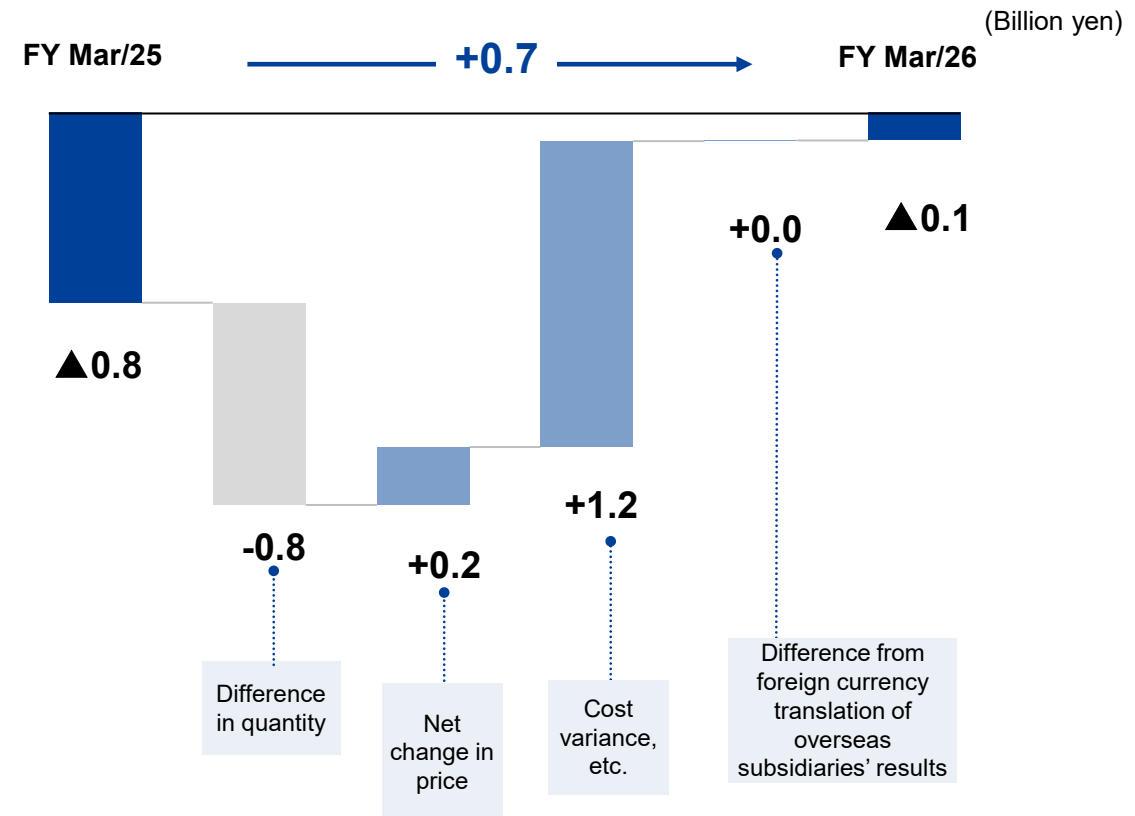
Business Performance

- **Pharmaceutical Business** Overseas sales grew mainly in China, but sales in Japan were affected by the penetration of generic versions.
- **Medical Equipment Business** Sales of hemodialysis dialyzers and catheters stagnated, but efforts were made to shift towards high value-added products and to reduce costs.

Revenue and Core Operating Income

(Billion yen)		FY Mar/25	FY Mar/26	Changes	
Revenue	Toray	23.9	22.5	-1.4	(-5.9%)
	Japanese Subsidiaries	43.1	42.2	-0.9	(-2.1%)
	Overseas Subsidiaries	16.2	16.6	+0.4	(+2.3%)
	Adjustments	▲ 30.1	▲ 28.9	+1.2	
	Total	53.2	52.4	-0.7	(-1.4%)
Core Operating Income	Toray	▲ 3.3	▲ 2.7	+0.6	(-)
	Japanese Subsidiaries	1.1	1.6	+0.4	(+37.1%)
	Overseas Subsidiaries	0.9	0.9	-0.1	(-8.2%)
	Adjustments	0.4	0.1	-0.3	
	Total	▲ 0.8	▲ 0.1	+0.7	(-)

Changes in Core Operating Income



Results of Major Subsidiaries and Regions

Billion yen

	Revenue			Core Operating Income		
	FY Mar/25	FY Mar/26	Changes	FY Mar/25	FY Mar/26	Changes
Toray International, Inc.	627.6	642.2	+14.5	14.3	12.8	-1.5
Toray Engineering Co., Ltd.	125.5	121.4	-4.1	7.2	8.7	+1.5
Toray Construction Co., Ltd.	47.6	61.4	+13.8	1.9	3.4	+1.5
Toray Advanced Film Co., Ltd.	41.5	41.3	-0.1	3.3	4.4	+1.1

Subsidiaries in Southeast Asia	Fibers & Textiles	159.6	146.0	-13.6	2.8	1.6	-1.2
	Performance Chemicals	118.4	106.8	-11.6	6.1	8.4	+2.3
	Other	1.1	1.2	+0.1	0.1	0.0	-0.0
	Total	279.1	254.0	-25.1	8.9	10.0	+1.1

Subsidiaries in China	Fibers & Textiles	313.2	360.6	+47.5	30.7	34.2	+3.5
	Performance Chemicals	129.2	124.3	-4.9	8.0	6.9	-1.2
	Other	45.9	41.8	-4.0	3.1	2.4	-0.7
	Total	488.2	526.7	+38.5	41.7	43.4	+1.7

Subsidiaries in the Republic of Korea	Fibers & Textiles	88.1	74.9	-13.1	▲1.5	0.3	+1.8
	Performance Chemicals	176.4	165.6	-10.8	10.8	9.0	-1.8
	Other	31.9	32.9	+1.0	3.0	3.2	+0.2
	Total	296.3	273.4	-22.9	12.3	12.5	+0.2

Business Forecast for the Fiscal Year Ending March 2027 (Consolidated Basis)

Forecast Summary for the Fiscal Year Ending March 2027

Assumptions for the business forecast

The global economy is expected to continue with the gradual recovery phase. The Japanese economy is also expected to continue with its gradual recovery. However, downside risks remain, including escalating tensions in the Middle East and the resulting rise in raw material prices and supply constraints, as well as prolonged impacts that may weigh on the global economy.

Further, the current economic conditions will be affected by the direction of the U.S. trade and foreign policies, together with responses from other countries, trends in AI-related demand, and slowdown in the Chinese economy. These factors may significantly affect supply chains and trade structures in the medium- to long- term.

		FY Mar/26 Actual	FY Mar/27 Forecast	Changes		Billion yen
Revenue	1st Half	1,234.3	1,370.0	+135.7	(+11.0%)	
	2nd Half	1,350.8	1,460.0	+109.2	(+8.1%)	
	Total	2,585.1	2,830.0	+244.9	(+9.5%)	
Core Operating Income	1st Half	67.9	73.0	+5.1	(+7.5%)	
	2nd Half	74.0	87.0	+13.0	(+17.5%)	
	Total	141.9	160.0	+18.1	(+12.7%)	
Profit Attributable to Owners of Parent	1st Half	36.9	40.0	+3.1	(+8.3%)	
	2nd Half	42.6	50.0	+7.4	(+17.4%)	
	Total	79.5	90.0	+10.5	(+13.2%)	
Basic Earnings per Share	1st Half	24.23 yen	27.48 yen	Assumed exchange rate 150 yen / US \$		
	2nd Half	28.80 yen	34.34 yen			
	Total	52.96 yen	61.82 yen			
Dividend per Share	1st Half	10.00 yen	13.00 yen			
	2nd Half	10.00 yen	13.00 yen			
	Total	20.00 yen	26.00 yen			
Dividend Payout Ratio	Total	38%	42%			

Forecast by Segment

An increase in revenue and core operating income is expected, reflecting demand expansion in growth business fields in the Fibers & Textiles, Performance Chemicals, and Carbon Fiber Composite Materials segments, as well as by the effects of strategic pricing and profitability improvement projects. The business performance forecast factors in risks associated with the Middle East situation.

		FY Mar/26 Actual			FY Mar/27 Forecast			Changes			Billion yen
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total	
Revenue	Fibers & Textiles	504.0	547.1	1,051.1	540.0	560.0	1,100.0	+36.0	+12.9	+48.9	
	Performance Chemicals	443.3	451.2	894.4	500.0	520.0	1,020.0	+56.7	+68.8	+125.6	
	Carbon Fiber Composite Materials	135.4	164.7	300.1	160.0	185.0	345.0	+24.6	+20.3	+44.9	
	Water Treatment & Healthcare	77.3	89.5	166.8	80.0	100.0	180.0	+2.7	+10.5	+13.2	
	Other	74.3	98.4	172.6	90.0	95.0	185.0	+15.7	-3.4	+12.4	
	Total	1,234.3	1,350.8	2,585.1	1,370.0	1,460.0	2,830.0	+135.7	+109.2	+244.9	
Core Operating Income	Fibers & Textiles	35.0	33.0	68.0	35.0	40.0	75.0	-0.0	+7.0	+7.0	
	Performance Chemicals	28.8	27.5	56.3	32.0	34.0	66.0	+3.2	+6.5	+9.7	
	Carbon Fiber Composite Materials	9.4	8.2	17.6	11.5	12.5	24.0	+2.1	+4.3	+6.4	
	Water Treatment & Healthcare	5.6	9.4	15.1	5.0	10.5	15.5	-0.6	+1.1	+0.4	
	Other	2.3	13.8	16.1	5.0	11.5	16.5	+2.7	-2.3	+0.4	
	Reconciliations	▲ 13.3	▲ 17.9	▲ 31.2	▲ 15.5	▲ 21.5	▲ 37.0	-2.2	-3.6	-5.8	
	Total	67.9	74.0	141.9	73.0	87.0	160.0	+5.1	+13.0	+18.1	
	Core Operating Margin	5.5%	5.5%	5.5%	5.3%	6.0%	5.7%	-0.2p	+0.5p	+0.2p	

Core Operating Income by Segment: FY Mar/26 vs Mar/27

Fibers & Textiles

68.0 → 75.0

Billion yen

Revenue: increase
Core operating income: increase

Apparel Applications

- Expect to be strong, due to robust sales in spring / summer and fall / winter clothing in the previous fiscal year

Industrial Applications

- Ensure to capture expanding demand for airbag fabrics in the automotive applications

- Profit improvement by promoting structural reform of low-growth and low-profitability business

Performance Chemicals

56.3 → 66.0

Billion yen

Revenue: increase
Core operating income: increase

Resins & Chemicals Business

- Resins: expect sales growth from expanded promotion of high-performance products, as well as recovery of the automotive applications
- Chemicals: expect expansion of global operation for fine chemical products

Films Business

- Steadily capture expanding demand with a focus on PET films for MLCC release film applications
- In the film subsidiaries in the U.S. and Europe, expect to take in effects of profitability improvement projects including sales expansion of high-added-value products
- In the battery separator films business, expect recovery of demand for North America, while implementing thorough cost reduction

The Electronic & Information Material Business

- Sales expansion of semiconductor and mounting materials, as well as expansion of high-performance products
- In the circuit material business, expect market share increase and sales expansion of a new product for power inductors

Carbon Fiber Composite Materials

17.6 → 24.0

Billion yen

Revenue: increase
Core operating income: increase

Aircraft Applications

- Expect sales expansion as the production rate increases at a major customer

Industrial Applications

- In regular tow, expect a certain level of demand recovery in the U.S. and European markets, particularly for pressure vessel and automotive applications.
- In large tow, promote sales expansion for wind turbine blade applications and flame-resistant yarns, while advancing structural reforms such as reductions in fixed costs.

Water Treatment & Healthcare

15.1 → 15.5

Billion yen

Revenue: increase
Core operating income: increase

Water Treatment Business

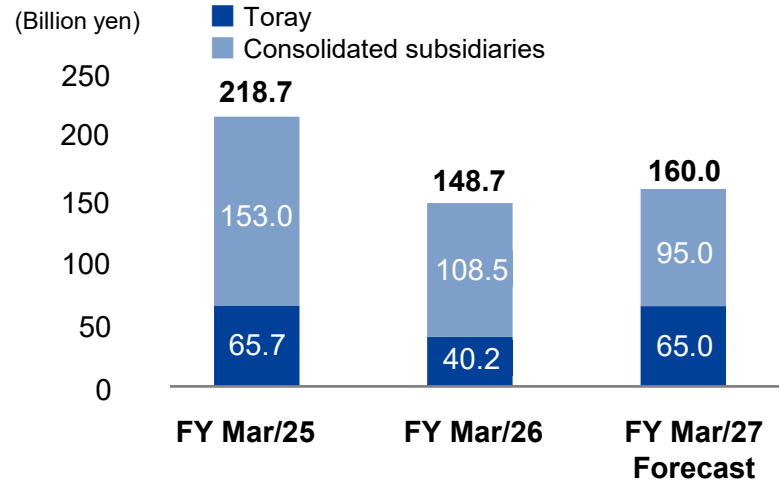
- Our mainstay reverse osmosis (RO) membrane is expected to be strong, mainly in the seawater desalination applications
- Ultrafiltration (UF) membrane is also expected to be steady the wastewater reuse applications, etc.

Pharmaceuticals & Medical Products Business

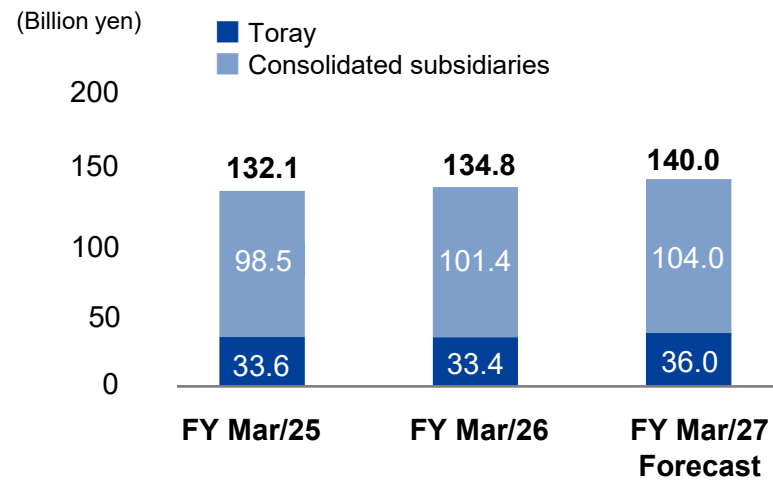
- Expect sales increase of high-added-value dialyzer and global expansion of medical equipment

Trends in Capital Expenditures, Depreciation and Amortization, and R&D Expenditures

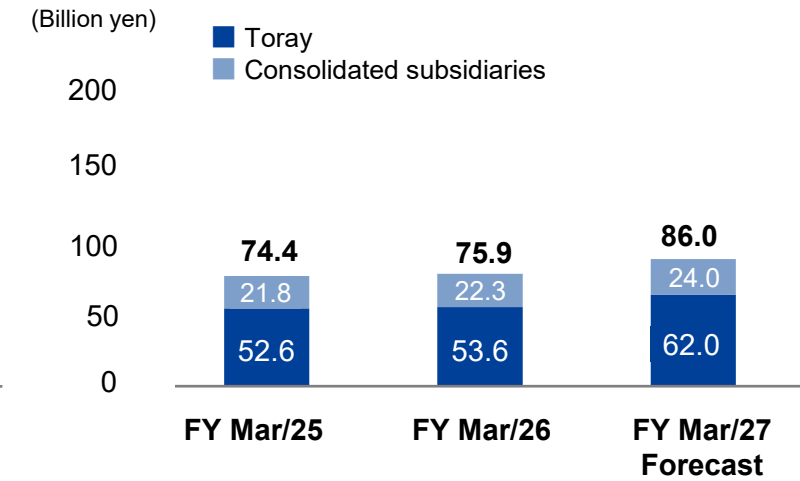
Capital Expenditures



Depreciation and Amortization



R&D Expenditures



Major Capital Expenditure Projects

FY Mar/26

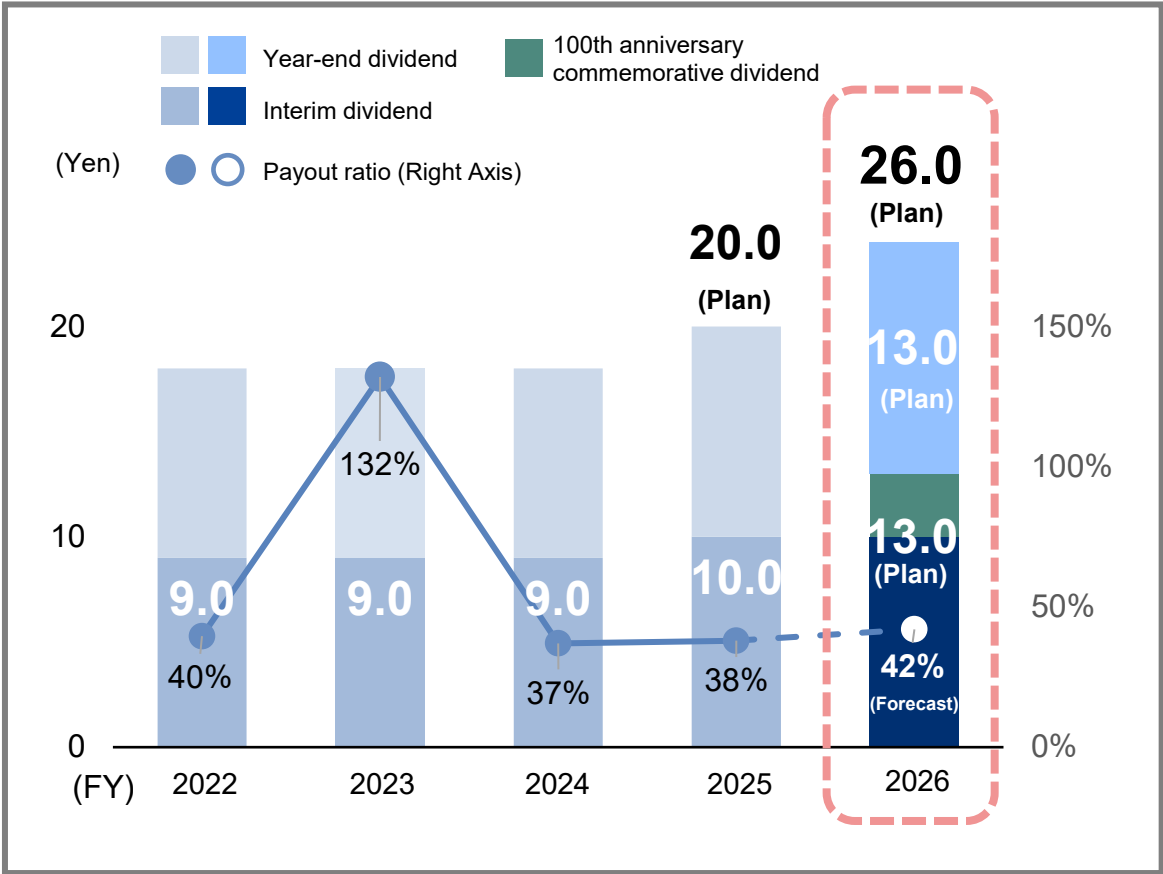
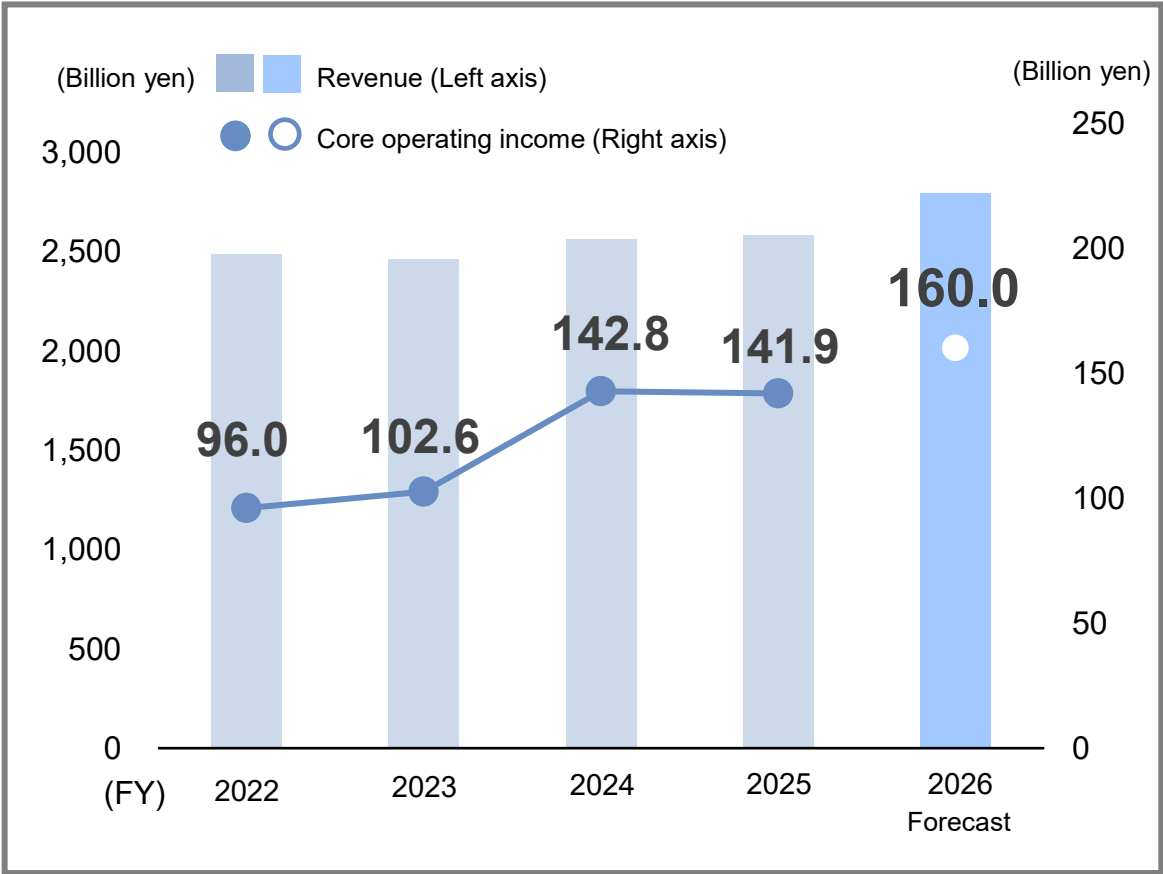
Toray Industries, Inc.	:	Polypropylene film production facilities
Toray Advanced Materials Korea Inc.	:	Carbon fiber production facilities
Toray Composite Materials America, Inc.	:	Carbon fiber production facilities
Toray Carbon Fibers Europe S.A.	:	Carbon fiber production facilities

FY Mar/27

Toray Industries, Inc.	:	Polypropylene film production facilities
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Shareholders Return

- Maintaining stable and sustainable dividends as a base, while pursuing progressive dividends supported by profit growth
- Flexible share buybacks, with due consideration to both strengthening our financial position and optimizing our capital structure
- For FY 2026, the Company plans to pay an annual dividend of 26 yen per share, a 6 yen increase year-on-year (including a 100th anniversary commemorative dividend of 3 yen as part of the interim dividend).

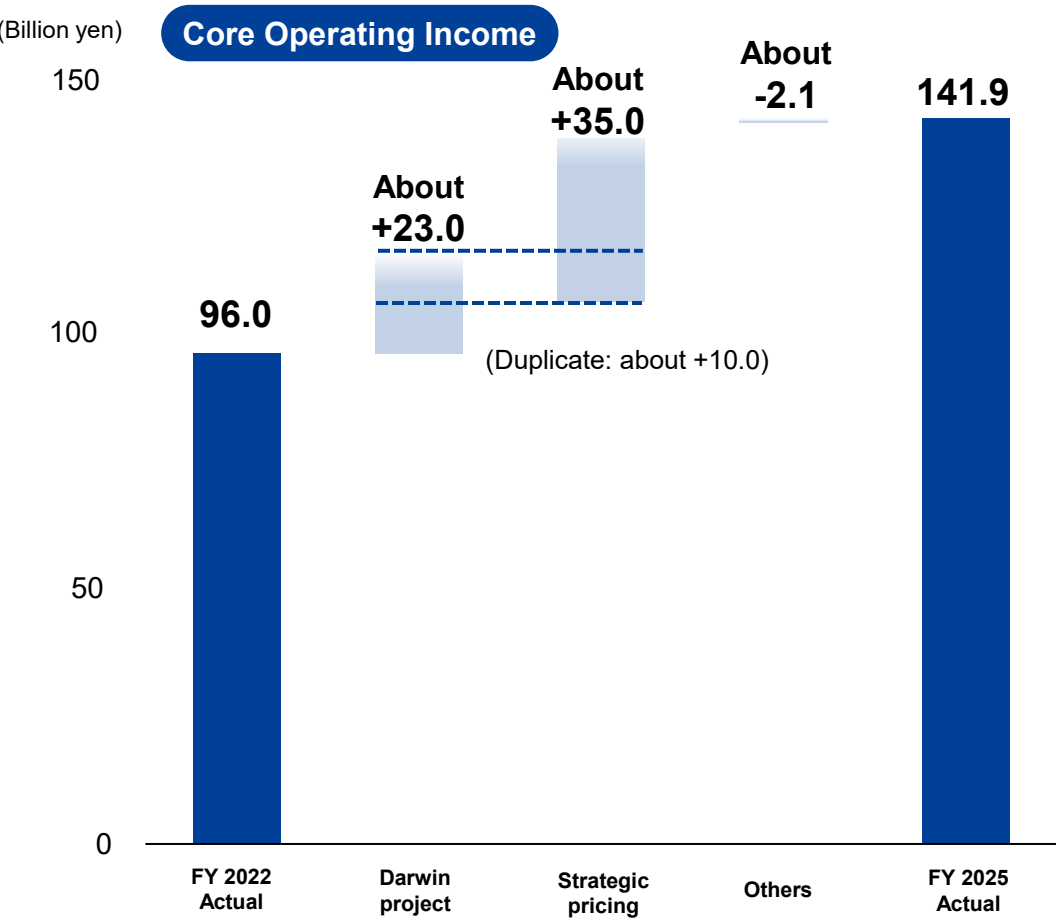




Reference

Progress of AP-G 2025

Shortly after the start of AP-G 2025, the business environment significantly changed due to factors such as increased geopolitical risks. In response, we implemented intensive measures to **improve the profitability of specific businesses and companies under Darwin Project**. Furthermore, we implemented **strategic pricing** to enhance our value creation capability, resulting in an increase of approximately 35 billion yen, exceeding our expectations.



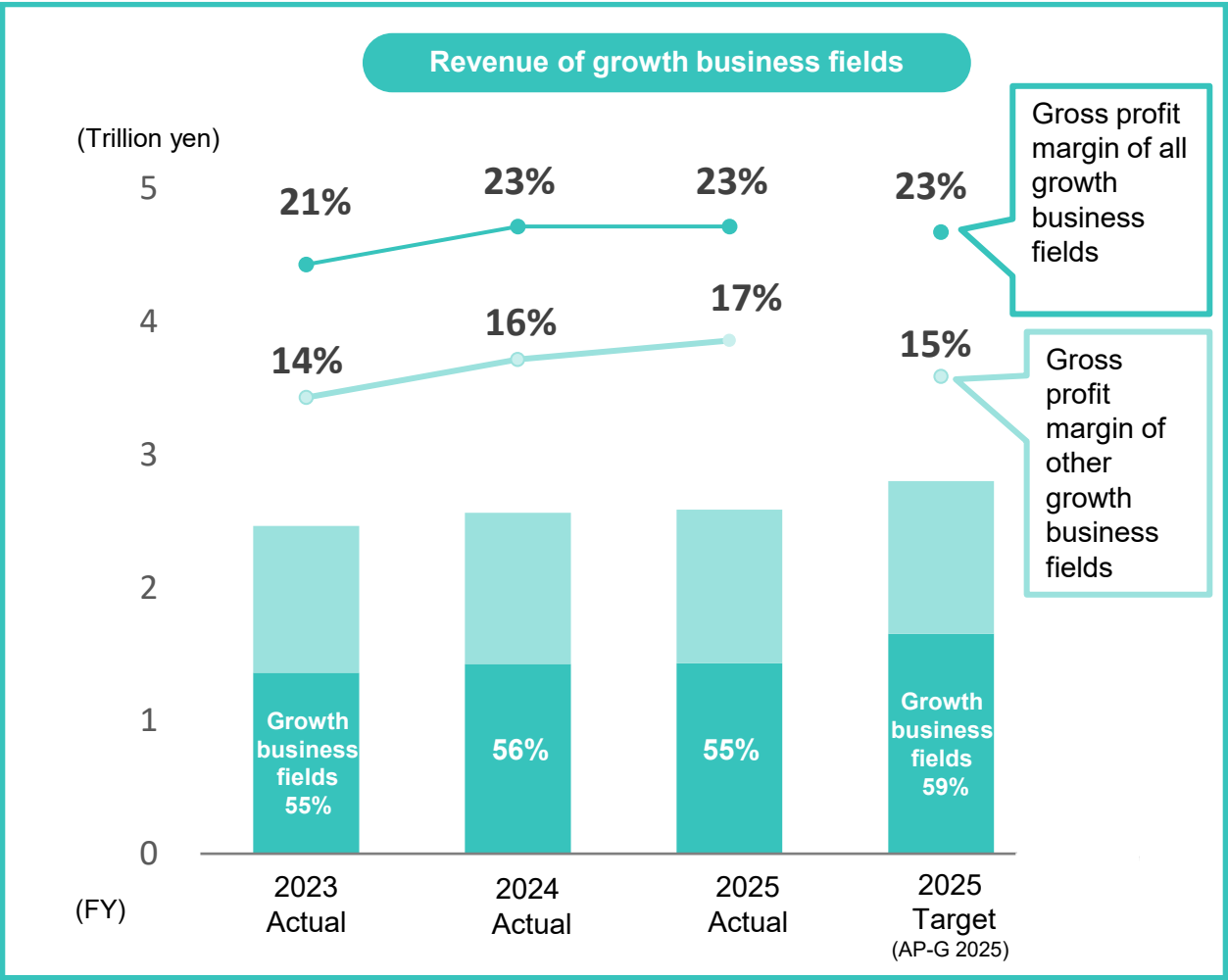
Businesses and companies that fall under Darwin Project and initiatives

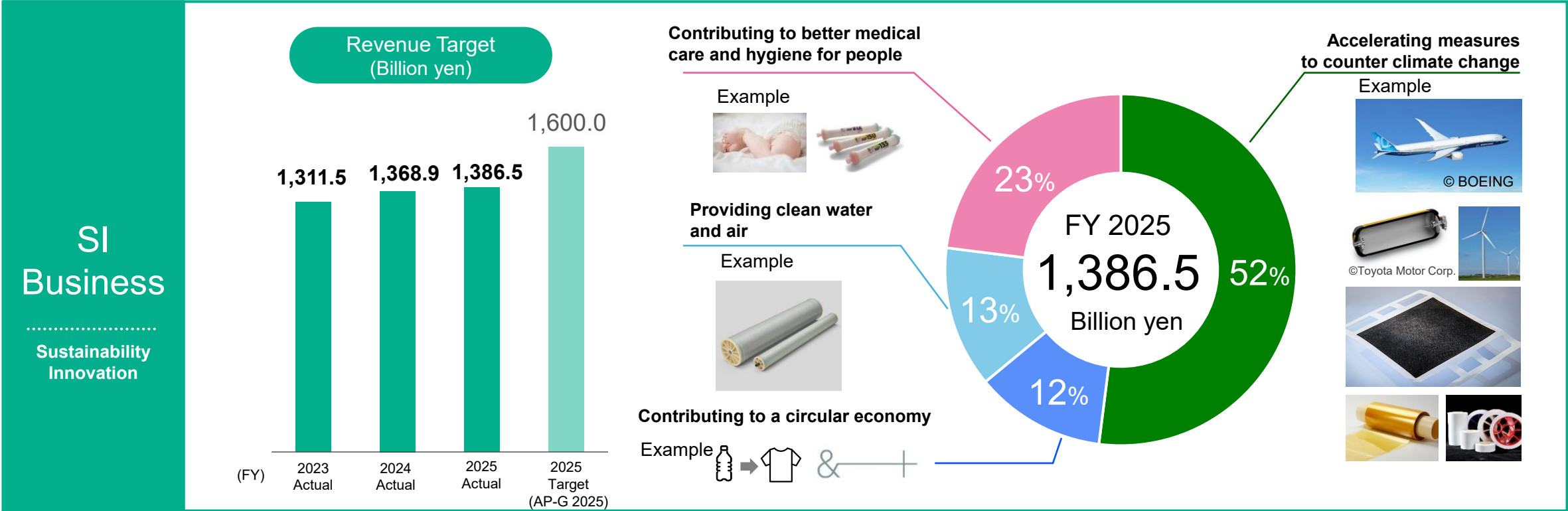
Businesses or companies	Initiatives
ZOLTEK (Large tow carbon fiber)	- Reduction of total fixed costs through adjustments to the production structure in line with utilization levels - Has yet to achieve stable profitability
Film in the U.S. and Europe	- Ceased production at the film production facilities mainly for general-purpose products - Reduction of total fixed costs through adjustments to the production structure - Has yet to achieve stable profitability
PP spunbond	- Reduction of fixed costs through adjustments to the production structure including shutdown of production lines - Achieved annual profitability in FY 2025
TPM (ABS resins)	- Improvement of product mix, reduction of fixed costs - Restored profitability in the second half of FY 2023, and has made significant progress on structural reform
Polyester staple fiber	- Implemented shutdown of polymerization facilities through global production transfer - Has yet to achieve stable profitability
Effect on the business performance	Profitability improved about 23 billion yen compared with FY 2023

Expanding revenues from businesses related to Sustainability Innovation Business^(*1) and Digital Innovation Business to about 60% of total

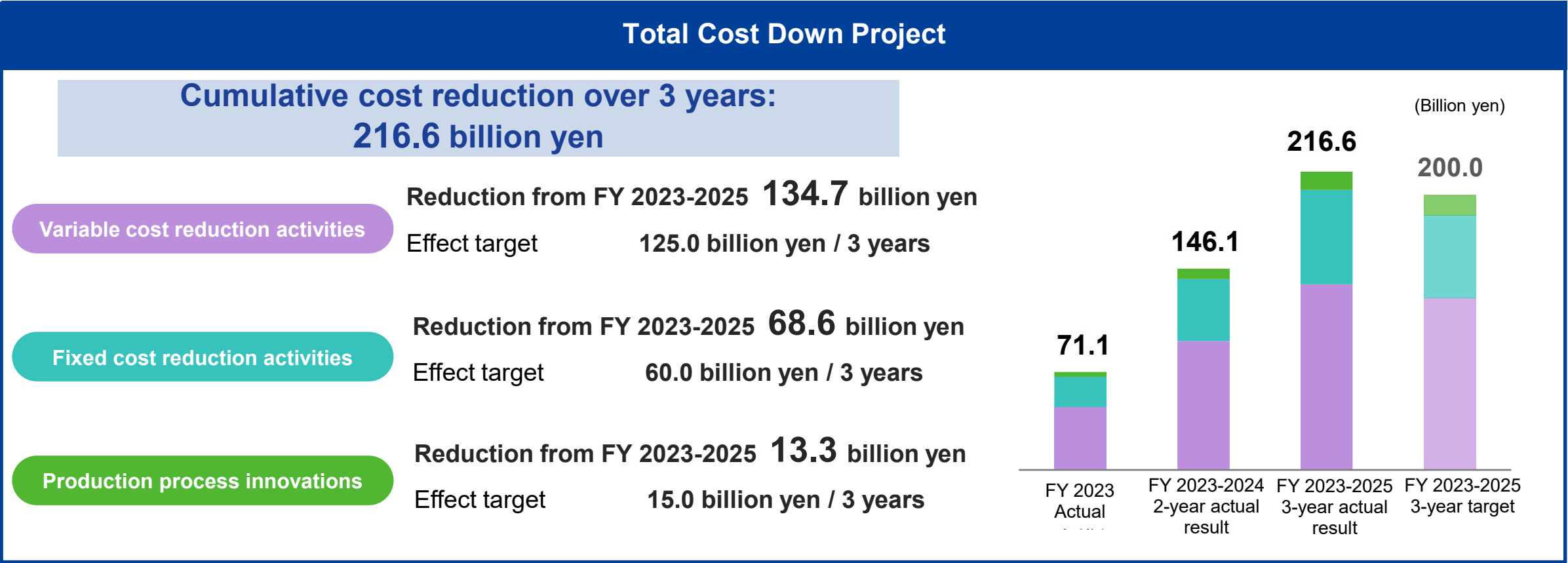
Growth Business Fields under AP-G 2025

SI Business Sustainability Innovation Business (*1) *1: Group of businesses or products that can help realize the Toray Group Sustainability Vision	1	Products that accelerate measures to counter climate change
	2	Products that facilitate sustainable, recycling-based use of resources and production
	3	Products that help provide clean water and air and reduce environmental impact
	4	Products that help deliver better medical care and hygiene for people worldwide
DI Business Digital Innovation Business	Materials, equipment, technologies, and services that help improve convenience and productivity by supporting the widespread adoption of digital technology	





- Promote cross-organizational cost reduction activities that leverage the Group’s collective strengths
- Roll out a mechanism for sharing information on inter-organizational activities and cost-reduction initiatives group-wide. Also, enhance efforts to control costs and improve yields at affiliates outside Japan in particular



Progress of AP-G 2025

Billion yen

	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	AP-G 2025 FY 2025 Target
Revenue	2,464.6	2,563.3	2,585.1	2,800.0
Core operating income	102.6	142.8	141.9	180.0
Core operating margin	4.2%	5.6%	5.5%	6%
ROIC*	2.8%	4.4%	4.7%	Around 5%
ROE	1.3%	4.5%	4.5%	Around 8%
Free cash flow	64.7 billion yen	191.8 billion yen	144.8 billion yen	Positive (3-year total)
D/E ratio	0.55	0.49	0.50	0.7 or lower (Guideline)

*ROIC=Core Operating Income after Tax / Average Invested Capital (average of the balances at beginning and end of the period)

Assumed exchange rate in AP-G 2025: ¥125 / US \$

Targets and for Sustainability and Progress

Each relative ratio is calculated in comparison to FY 2013

	FY 2013 Actual (Baseline year) (J-GAAP)	FY 2023 Actual (IFRS)	FY 2024 Actual (IFRS)	FY 2025 Actual (IFRS)	FY 2025 Target (IFRS)
Revenue from Sustainability Innovation Business^{*1}	562.4 billion yen	1,311.5 billion yen (2.3-fold)	1,368.9 billion yen (2.4-fold)	1,386.5 billion yen (2.5-fold)	1,600.0 billion yen (2.8-fold)
CO₂ emissions avoided in value chain^{*2}	40 million tons	10.3-fold	11.3-fold	12.2-fold	15.0-fold
Water filtration throughput contribution by Toray's water treatment membranes^{*3}	27.23 million tons/day	2.7-fold	2.9-fold	3.1-fold	2.9-fold
Greenhouse gas emissions per unit of revenue in production activities^{*4 *6 *7}	356 tons/100 million yen	36% reduction	43% reduction	45% reduction	40% reduction
Greenhouse gas emissions of Toray Group in Japan^{*5 *6 *7}	2.45 million tons	25% reduction	28% reduction	31% reduction	20% reduction
Water usage per unit of revenue in production activities^{*7}	14,693 tons/100 million yen	35% reduction	38% reduction	37% reduction	40% reduction

*1. (1) Products that accelerate measures to counter climate change; (2) products that facilitate sustainable, recycling based use of resources and production; (3) products that help provide clean water and air and reduce environmental impact; and (4) products that help deliver better medical care and hygiene for people worldwide.

*2. Toray calculates the CO₂ emissions reduced throughout the value chain of products in accordance with the chemical sector guidelines of the Japan Chemical Industry Association and the International Council of Chemical Associations (ICCA).

*3. Water treated annually with Toray water treatment membranes. It is calculated by multiplying the amount of fresh water that the Toray membranes can produce per day, including reverse osmosis (RO), ultrafiltration (UF) and membrane separation bioreactors (MBR), by the number of membrane elements sold.

*4. With the use of renewable energies and other zero emission power sources rising worldwide, the Toray Group aims to employ zero-emission power sources at a rate equivalent to or better than the targets in each country by fiscal 2030.

*5. In Japan, Toray works to surpass the reduction target set for the industrial sector by the Japanese government (absolute emissions reduced by 38% by FY 2030) in its comprehensive plan (Cabinet decision on October 22, 2021) based on Japan's Act on Promotion of Global Warming Countermeasures.

*6. The figures are calculated by multiplying the degree of financial control Toray Industries has over the individual subsidiary, in accordance with the GHG protocol, the international standard.

*7. Calculation includes data for companies that joined the Toray Group in FY 2014 or later.

Quarterly Revenue by Segment

Billion yen

		FY Mar/25					FY Mar/26				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Revenue	Fibers & Textiles	244.8	270.7	259.1	236.5	1,011.1	239.9	264.1	300.9	246.2	1,051.1
	Performance Chemicals	241.7	235.8	234.5	232.9	944.9	220.1	223.2	225.4	225.7	894.4
	Carbon Fiber Composite Materials	77.7	75.1	70.4	76.7	300.0	66.9	68.5	77.3	87.3	300.1
	Environment & Engineering	57.5	57.0	48.0	74.1	236.5	53.0	64.0	63.3	86.6	266.9
	Life Science	12.1	13.4	13.6	14.0	53.2	11.7	13.3	13.4	13.9	52.4
	Other	3.9	4.3	4.2	5.3	17.7	4.3	5.3	4.8	5.8	20.2
	Total	637.7	656.4	629.8	639.4	2,563.3	595.8	638.5	685.2	665.6	2,585.1
Core Operating Income	Fibers & Textiles	14.8	19.6	15.6	14.1	64.2	15.2	19.9	19.7	13.3	68.0
	Performance Chemicals	18.3	15.6	14.1	12.0	60.0	13.6	15.2	14.3	13.2	56.3
	Carbon Fiber Composite Materials	5.1	6.6	2.4	8.4	22.5	4.6	4.8	2.0	6.2	17.6
	Environment & Engineering	5.1	6.7	5.2	9.0	25.9	3.1	6.7	7.7	11.3	28.8
	Life Science	▲ 0.8	0.2	▲ 0.3	0.1	▲ 0.8	▲ 1.0	▲ 0.1	0.1	0.9	▲ 0.1
	Other	0.3	0.3	0.4	1.4	2.4	0.1	▲ 0.8	0.8	2.5	2.5
	Reconciliations	▲ 6.1	▲ 6.8	▲ 7.7	▲ 11.0	▲ 31.5	▲ 6.5	▲ 6.8	▲ 7.4	▲ 10.4	▲ 31.2
	Total	36.8	42.4	29.6	34.0	142.8	29.1	38.8	37.2	36.8	141.9

Quarterly Revenue of Performance Chemicals and Carbon Fiber Composite Materials by Subsegments

Performance Chemicals

Billion yen

	FY Mar/25					FY Mar/26				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Resins, Chemicals	106.3	107.2	108.3	105.7	427.5	98.4	100.8	105.2	102.9	407.2
Films	96.2	91.0	88.9	89.3	365.3	87.1	86.9	84.3	87.1	345.5
Electronic & Information Materials	19.1	18.1	16.7	17.5	71.5	17.2	18.6	18.4	18.6	72.6
Trading, Other	141.1	143.2	138.7	130.6	553.7	128.3	127.6	126.9	111.8	494.6
Adjustments	▲ 121.0	▲ 123.8	▲ 118.0	▲ 110.3	▲ 473.2	▲ 110.9	▲ 110.7	▲ 109.4	▲ 94.5	▲ 425.5
Total	241.7	235.8	234.5	232.9	944.9	220.1	223.2	225.4	225.7	894.4

Carbon Fiber Composite Materials

Billion yen

	FY Mar/25					FY Mar/26				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Aerospace	27.5	25.9	24.0	27.4	104.9	23.0	25.2	32.4	37.7	118.4
Sports	6.9	7.7	7.4	7.5	29.5	7.1	6.9	6.8	7.4	28.2
Industrial	43.3	41.5	39.1	41.8	165.6	36.7	36.4	38.1	42.3	153.5
Total	77.7	75.1	70.4	76.7	300.0	66.9	68.5	77.3	87.3	300.1

Quarterly Revenue of Major Subsidiaries and Regions

Billion yen

		.FY Mar/25					FY Mar/26				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Toray International, Inc.		144.8	163.7	175.8	143.3	627.6	151.0	166.1	178.5	146.6	642.2
Toray Engineering Co., Ltd.		28.1	32.1	27.0	38.3	125.5	23.3	21.4	30.3	46.4	121.4
Toray Construction Co., Ltd.		10.3	9.9	8.7	18.7	47.6	10.0	21.7	13.5	16.2	61.4
Toray Advanced Film Co., Ltd.		10.1	10.4	11.0	10.0	41.5	10.6	10.2	10.5	10.1	41.3
Subsidiaries in Southeast Asia	Fibers & Textiles	40.3	42.0	40.1	37.2	159.6	34.5	38.8	36.9	35.9	146.0
	Performance Chemicals	28.2	30.4	29.8	30.0	118.4	25.7	26.7	27.5	26.9	106.8
	Other	0.2	0.2	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.2
	Total	68.7	72.6	70.3	67.5	279.1	60.5	65.8	64.7	63.1	254.0
Subsidiaries in China	Fibers & Textiles	79.2	89.2	79.3	65.4	313.2	85.2	90.2	108.8	76.5	360.6
	Performance Chemicals	31.3	32.4	32.4	33.2	129.2	28.8	30.7	34.3	30.4	124.3
	Other	13.0	12.2	11.7	9.0	45.9	10.2	10.6	10.9	10.3	41.8
	Total	123.5	133.8	123.3	107.6	488.2	124.1	131.5	154.0	117.1	526.7
Subsidiaries in the Republic of Korea	Fibers & Textiles	24.8	22.9	21.4	19.0	88.1	17.8	17.9	19.4	19.8	74.9
	Performance Chemicals	49.7	44.0	41.0	41.8	176.4	41.9	42.6	40.0	41.2	165.6
	Other	8.3	7.7	7.6	8.3	31.9	8.1	7.9	8.1	8.8	32.9
	Total	82.8	74.5	70.0	69.1	296.3	67.8	68.4	67.5	69.8	273.4

Quarterly Core Operating Income of Major Subsidiaries and Regions

Billion yen

	FY Mar/25					FY Mar/26				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Toray International, Inc.	3.1	4.0	4.3	2.8	14.3	3.1	3.5	3.3	3.0	12.8
Toray Engineering Co., Ltd.	1.0	1.4	1.5	3.4	7.2	0.3	0.6	2.7	5.1	8.7
Toray Construction Co., Ltd.	0.3	0.7	▲ 0.2	1.2	1.9	▲ 0.1	1.5	1.1	1.0	3.4
Toray Advanced Film Co., Ltd.	0.6	0.7	1.0	1.0	3.3	1.0	1.0	1.3	1.1	4.4

Subsidiaries in Southeast Asia	Fibers & Textiles	1.4	1.1	0.5	▲ 0.2	2.8	▲ 0.0	0.7	0.5	0.4	1.6
	Performance Chemicals	1.1	1.4	1.7	1.9	6.1	1.9	2.0	2.5	2.1	8.4
	Other	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	▲ 0.0	0.0
	Total	2.5	2.6	2.2	1.7	8.9	1.9	2.7	3.0	2.5	10.0
Subsidiaries in China	Fibers & Textiles	7.3	9.5	7.6	6.2	30.7	7.6	9.3	11.5	5.8	34.2
	Performance Chemicals	2.3	2.2	1.5	1.9	8.0	1.7	1.9	1.8	1.4	6.9
	Other	1.2	0.9	0.9	0.1	3.1	0.7	0.8	0.7	0.2	2.4
	Total	10.7	12.7	10.1	8.2	41.7	10.0	12.0	13.9	7.5	43.4
Subsidiaries in the Republic of Korea	Fibers & Textiles	▲ 0.3	▲ 0.4	0.0	▲ 0.8	▲ 1.5	0.2	0.2	0.5	▲ 0.6	0.3
	Performance Chemicals	4.8	2.6	1.9	1.5	10.8	3.3	2.5	1.8	1.4	9.0
	Other	0.9	0.4	0.7	1.0	3.0	0.7	0.7	0.9	0.8	3.2
	Total	5.4	2.6	2.6	1.7	12.3	4.3	3.4	3.2	1.6	12.5

External Evaluations from the Perspectives of ESG

■ CDP

December 2025
Water Security:A
Climate Change:A-



■ S&P Global Sustainability Yearbook Member

February 2026

S&P Global

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Toray Industries, Inc.
Chemicals

**Sustainability
Yearbook Member**

Corporate Sustainability
Assessment (CSA) 2025

72/100

Score date
February 11, 2026

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■ Selected as a component of major overseas indexes



June 2025
MSCI Selection Indexes



FTSE4Good

June 2025
FTSE4Good Index Series

May 2026
Dow Jones Best-in-Class Asia Pacific Index



Sompo Sustainability Index

June 2025
SOMPO Sustainability Index

■ Selected for ESG indices adopted by GPIF



**FTSE JPX Blossom
Japan Index**



**FTSE JPX Blossom
Japan Sector
Relative Index**



**2026 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX**

**2026 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)**

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