Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 6, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under IFRS)

Company name: Toray Industries, Inc.
Listing: Tokyo Stock Exchange
Securities code: 3402
URL: www.toray.com
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for Securities Analysts / Institutional Investors)

(Yen amounts are rounded to the nearest million.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated financial performance

(Percentages indicate year-on-year changes.)

	Revenue		Core operating income		Operating income		Profit before tax	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	678,967	14.0	48,432	66.6	47,330	72.1	49,069	73.8
June 30, 2025	595,829	(6.6)	29,073	(20.9)	27,506	(27.8)	28,238	(32.4)

	Profit		Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2026	33,981	82.6	31,262	82.3	21.47	21.44
June 30, 2025	18,606	(37.6)	17,151	(36.1)	11.16	11.14

Notes:
1. Comprehensive income for the three months ended June 30, 2026 and 2025 were ¥35,792 million (149.9%) and ¥14,320 million ((87.7)%), respectively.
2. Core operating income is calculated by excluding income and expenses due to non-recurring factors from operating income.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Equity ratio
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	3,492,091	1,947,937	1,817,139	52.0
March 31, 2026	3,476,976	1,927,836	1,800,058	51.8

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	—	10.00	—	10.00	20.00
Year ending March 31, 2027	—				
Year ending March 31, 2027 (Forecast)		13.00	—	13.00	26.00

Notes:
1. Revisions to the forecast of cash dividends most recently announced: None
2. Breakdown of the Second quarter-end dividend forecast for the fiscal year ending March 31, 2027:
   Ordinary dividend: 10.00 yen per share
   Commemorative dividend: 3.00 yen per share

3. Consolidated financial forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Revenue		Core operating income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	1,390,000	12.6	87,000	28.2	45,000	21.8	30.90
Year ending March 31, 2027	2,830,000	9.5	160,000	12.7	90,000	13.2	61.80

Note: Revisions to the consolidated financial forecasts most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	1,504,481,403 shares
As of March 31, 2026	1,504,481,403 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	47,819,230 shares
As of March 31, 2026	48,344,096 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2026	1,456,336,917 shares
Three months ended June 30, 2025	1,537,324,791 shares

* Review of the Japanese-language originals of the attached condensed consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Earnings forecasts given herein have been prepared based on assumptions such as economic environment outlook available as of the publication of this report and these forecasts are not guarantees of future performance. Actual results may differ significantly from forecasts due to various factors. For the assumptions underlying the forecasts herein, please refer to “1. Overview of Operating Results (2) Forecast for the Fiscal Year Ending March 31, 2027” of the accompanying materials.

Contents of Attachments

1. Overview of Operating Results

(1) Overview of the Three Months Ended June 30, 2026 and Analysis of Financial Position

Overview of the Three Months Ended June 30, 2026

	Three months ended June 30,2026	Year-on-year change
	Billions of yen	%
Revenue	679.0	14.0
Core operating income	48.4	66.6
Operating income	47.3	72.1
Profit attributable to owners of parent	31.3	82.3

During the period under review (from April 1, 2026 to June 30, 2026), the outlook for the global economy became increasingly uncertain given the concerns over the supply stability and rising prices of energy and petrochemical raw materials stemming from conflicts in the Middle East. Nevertheless, investment related to AI and semiconductors provided underlying support for economic activity. The U.S. economy, driven by AI investments and rising stock prices, saw gradual expansion. The European economy showed some signs of a moderate recovery, but the recovery remained sluggish. The Chinese economy continued to decelerate gradually due mainly to stagnant domestic demand. The Japanese economy continued to recover moderately on the back of steady consumer spending.

Under such circumstances, Toray Group launched its Medium-Term Management Program “IGNITION 2028” in fiscal 2026, with the goal of becoming a highly profitable company that contributes to society. Under IGNITION 2028, Toray Group has established three basic policies on “Enhancing Economic Value”, “Enhancing Social Value”, and “Strengthening Management Foundation”. Based on these policies, the Group is promoting growth strategies and structural reforms, with ROIC positioned as a key management indicator to improve profitability and capital efficiency.

As a result, consolidated revenue for the three months ended June 30, 2026, compared with the same period of the previous fiscal year, increased 14.0% to ¥679.0 billion, and core operating income (Note) rose 66.6% to ¥48.4 billion. Operating income increased 72.1% to ¥47.3 billion and profit attributable to owners of parent surged 82.3% to ¥31.3 billion.

Financial performance by segment is as described below.

Fibers & Textiles

	Three months ended June 30, 2026	Year-on-year change
	Billions of yen	%
Revenue	259.9	8.3
Core operating income	18.0	18.3

In the apparel applications, the Group focused on capturing the demand, although operations were affected by intensified competition from overseas products.

The industrial applications showed a gradual recovery in demand primarily in automotive applications.

While both applications were affected by rising raw material prices resulting from the worsening situation in the Middle East, the Group worked to mitigate these impacts through emergency measures, including price pass-through and cost reduction initiatives.

As a result, revenue of the overall Fibers & Textiles segment, compared with the same period of the previous fiscal year, increased 8.3% to ¥259.9 billion, and core operating income rose 18.3% to ¥18.0 billion.

Performance Chemicals

	Three months ended June 30, 2026	Year-on-year change
	Billions of yen	%
Revenue	251.1	14.1
Core operating income	23.1	69.4

The resins and chemicals businesses were affected by rising raw material prices resulting from the worsening situation in the Middle East, but efforts were made to achieve price pass-through, and sales remained firm.

In the films business, sales for electronic component applications, including MLCCs, and optical applications remained strong.

In the electronic & information materials business, sales of 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.

As a result, revenue of the overall Performance Chemicals segment, compared with the same period of the previous fiscal year, grew 14.1% to ¥251.1 billion, and core operating income rose 69.4% to ¥23.1 billion.

Carbon Fiber Composite Materials

	Three months ended June 30, 2026	Year-on-year change
	Billions of yen	%
Revenue	89.7	34.1
Core operating income	7.9	71.3

The Aircraft, Space & Defense applications saw steady expansion, while the sports and industrial applications also showed a recovery trend.

As a result, revenue of the overall Carbon Fiber Composite Materials segment, compared with the same period of the previous fiscal year, increased 34.1% to ¥89.7 billion, and core operating income rose 71.3% to ¥7.9 billion.

Water Treatment & Healthcare

	Three months ended June 30, 2026	Year-on-year change
	Billions of yen	%
Revenue	40.7	13.8
Core operating income	3.1	126.6

In the water treatment business, while the Chinese market remained stagnant, shipments of reverse osmosis (RO) membranes for large-scale projects in the Middle East, and sales in the Americas, one of its key markets, remained firm.

In the pharmaceutical and medical products businesses, sales of pharmaceuticals stagnated but the Group made efforts to shift towards higher value-added hemodialysis dialyzers and to reduce costs.

As a result, revenue of the overall Water Treatment & Healthcare segment, compared with the same period of the previous fiscal year, increased 13.8% to ¥40.7 billion, while core operating income expanded 126.6% to ¥3.1 billion.

Note:

Core operating income is calculated by excluding income and expenses due to non-recurring factors from operating income.

Analysis of Financial Position

As of June 30, 2026, both assets and liabilities of Toray Group were affected by the increase in translated yen amounts of overseas subsidiaries caused by the depreciation of the yen.

Total assets stood at ¥3,492.1 billion, an increase of ¥15.1 billion compared with the end of the previous fiscal year, due primarily to increases in inventories while trade and other receivables and retirement benefit asset decreased.

Total liabilities came to ¥1,544.2 billion, a decrease of ¥5.0 billion compared with the end of the previous fiscal year, owing mainly to decreases in borrowings and deferred tax liabilities.

Total equity stood at ¥1,947.9 billion, an increase of ¥20.1 billion compared with the end of the previous fiscal year, mainly owing to an increase in other components of equity. Equity attributable to owners of parent stood at ¥1,817.1 billion. Equity ratio as of June 30, 2026 came to 52.0%, a 0.3 percentage-point increase compared with the level at the end of the previous fiscal year.

(2) Forecast for the Fiscal Year Ending March 31, 2027

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.

Under such circumstances, Toray Group will promote the basic strategies under the Medium-Term Management Program “IGNITION 2028,” carrying out its business operations in preparation for uncertainties.

For the fiscal year ending March 31, 2027, Toray Group revised its consolidated forecast for the first six months ending September 30, 2026, taking into consideration its business performance for the first three months and the business environment. The Group expects revenue of ¥1,390.0 billion, core operating income of ¥87.0 billion, and profit attributable to owners of parent of ¥45.0 billion, and plans to review the full-year forecast as necessary at the time of the announcement of the results for the first six months by considering the trends in the external environment. The calculation of consolidated earnings forecasts for the period from July to September 2026 is based on an assumed foreign currency exchange rate of ¥155.0 to the U.S. dollar.

Revisions to consolidated financial forecasts for the six months ending September 30, 2026 (from April 1, 2026 to September 30, 2026)

	Revenue	Core operating income	Profit attributable to owners of parent	Basic earnings per share
Previous forecasts (A)	Billions of yen 1,370.0	Billions of yen 73.0	Billions of yen 40.0	Yen 27.48
Revised forecasts (B)	1,390.0	87.0	45.0	30.90
Change (B - A)	20.0	14.0	5.0	
Change (%)	1.5	19.2	12.5	
(Reference) Actual consolidated results for the six months ended September 30, 2025	1,234.3	67.9	36.9	24.23

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	265,295	259,626
Trade and other receivables	642,708	620,771
Inventories	538,586	576,065
Other financial assets	10,817	10,460
Other current assets	71,100	84,731
Assets held for sale	453	36,597
Total current assets	1,528,959	1,588,250
Non-current assets		
Property, plant and equipment	1,175,896	1,167,075
Right-of-use assets	53,133	50,257
Goodwill	100,809	102,231
Intangible assets	105,544	106,624
Investments accounted for using equity method	186,985	191,597
Other financial assets	169,095	156,155
Deferred tax assets	25,340	25,006
Retirement benefit asset	114,474	90,098
Other non-current assets	16,741	14,798
Total non-current assets	1,948,017	1,903,841
Total assets	3,476,976	3,492,091

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities and Equity		
Current liabilities		
Trade and other payables	317,156	316,075
Bonds and borrowings	380,968	366,627
Lease liabilities	11,662	11,711
Other financial liabilities	11,726	12,727
Income taxes payable	14,035	10,408
Other current liabilities	122,440	125,442
Liabilities directly associated with assets held for sale	−	7,665
Total current liabilities	857,987	850,655
Non-current liabilities		
Bonds and borrowings	483,014	494,947
Lease liabilities	29,915	27,835
Other financial liabilities	4,114	4,062
Deferred tax liabilities	56,534	50,501
Retirement benefit liability	75,839	73,956
Other non-current liabilities	41,737	42,198
Total non-current liabilities	691,153	693,499
Total liabilities	1,549,140	1,544,154
Equity		
Equity attributable to owners of parent		
Share capital	147,873	147,873
Capital surplus	119,528	119,041
Retained earnings	1,161,871	1,163,177
Treasury shares	(52,485)	(51,911)
Other components of equity	423,271	438,959
Total equity attributable to owners of parent	1,800,058	1,817,139
Non-controlling interests	127,778	130,798
Total equity	1,927,836	1,947,937
Total liabilities and equity	3,476,976	3,492,091

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

Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Revenue	595,829	678,967
Cost of sales	(475,079)	(531,715)
Gross profit	120,750	147,252
Selling, general and administrative expenses	(91,853)	(100,658)
Other income	1,102	3,705
Other expenses	(2,493)	(2,969)
Operating income	27,506	47,330
Finance income	2,973	2,748
Finance costs	(5,300)	(5,116)
Share of profit (loss) of investments accounted for using equity method	3,059	4,107
Profit before tax	28,238	49,069
Income tax expense	(9,632)	(15,088)
Profit	18,606	33,981
Profit attributable to:		
Owners of parent	17,151	31,262
Non-controlling interests	1,455	2,719
Profit	18,606	33,981
Earnings per share:		
Basic (Yen)	11.16	21.47
Diluted (Yen)	11.14	21.44

Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	18,606	33,981
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Investments in equity instruments	3,368	(4,395)
Remeasurements of defined benefit plans	1,922	(15,453)
Share of other comprehensive income of investments accounted for using equity method	196	166
	5,486	(19,682)
Items that may be reclassified to profit or loss		
Cash flow hedges	(273)	444
Deferred costs of hedging	18	132
Exchange differences on translation	(9,520)	20,928
Share of other comprehensive income of investments accounted for using equity method	3	(11)
	(9,772)	21,493
Total other comprehensive income	(4,286)	1,811
Comprehensive income	14,320	35,792
Comprehensive income attributable to:		
Owners of parent	12,799	31,724
Non-controlling interests	1,521	4,068
Comprehensive income	14,320	35,792

(3) Condensed Consolidated Statement of Changes in Equity

Three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
At April 1, 2025	147,873	120,562	1,170,508	(57,240)
Profit	-	-	17,151	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	17,151	-
Exercise of share acquisition rights	-	(854)	-	855
Share-based payment transactions	-	73	-	-
Purchase of treasury shares	-	(24)	-	(33,411)
Dividends	-	-	(14,081)	-
Changes in ownership interest in subsidiaries	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	1,879	-
Other changes	-	-	-	-
Total transactions with owners and other	-	(805)	(12,202)	(32,556)
At June 30, 2025	147,873	119,757	1,175,457	(89,796)

(Millions of yen)

	Equity attributable to owners of parent								
	Other components of equity								
	Investments in equity instruments	Cash flow hedges	Deferred costs of hedging	Exchange differences on translation	Remeasure-ments of defined benefit plans	Total other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
At April 1, 2025	59,200	119	78	267,884	-	327,281	1,708,984	111,588	1,820,572
Profit	-	-	-	-	-	-	17,151	1,455	18,606
Other comprehensive income	3,404	(270)	18	(9,384)	1,880	(4,352)	(4,352)	66	(4,286)
Comprehensive income	3,404	(270)	18	(9,384)	1,880	(4,352)	12,799	1,521	14,320
Exercise of share acquisition rights	-	-	-	-	-	-	1	-	1
Share-based payment transactions	-	-	-	-	-	-	73	-	73
Purchase of treasury shares	-	-	-	-	-	-	(33,435)	-	(33,435)
Dividends	-	-	-	-	-	-	(14,081)	(2,354)	(16,435)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	-	12	12
Transfer from other components of equity to retained earnings	1	-	-	-	(1,880)	(1,879)	-	-	-
Other changes	-	121	-	-	-	121	121	4,230	4,351
Total transactions with owners and other	1	121	-	-	(1,880)	(1,758)	(47,321)	1,888	(45,433)
At June 30, 2025	62,605	(30)	96	258,500	-	321,171	1,674,462	114,997	1,789,459

Three months ended June 30, 2026

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
At April 1, 2026	147,873	119,528	1,161,871	(52,485)
Profit	-	-	31,262	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	31,262	-
Exercise of share acquisition rights	-	(573)	-	574
Dividends	-	-	(14,570)	-
Changes in ownership interest in subsidiaries	-	86	-	-
Transfer from other components of equity to retained earnings	-	-	(15,386)	-
Other changes	-	-	-	(0)
Total transactions with owners and other	-	(487)	(29,956)	574
At June 30, 2026	147,873	119,041	1,163,177	(51,911)

(Millions of yen)

	Equity attributable to owners of parent							Non-controlling interests	Total equity
	Other components of equity						Total equity attributable to owners of parent		
	Investments in equity instruments	Cash flow hedges	Deferred costs of hedging	Exchange differences on translation	Remeasure-ments of defined benefit plans	Total other components of equity			
At April 1, 2026	70,521	1,597	(7)	351,160	-	423,271	1,800,058	127,778	1,927,836
Profit	-	-	-	-	-	-	31,262	2,719	33,981
Other comprehensive income	(4,477)	433	132	19,720	(15,346)	462	462	1,349	1,811
Comprehensive income	(4,477)	433	132	19,720	(15,346)	462	31,724	4,068	35,792
Exercise of share acquisition rights	-	-	-	-	-	-	1	-	1
Dividends	-	-	-	-	-	-	(14,570)	(2,098)	(16,668)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	86	970	1,056
Transfer from other components of equity to retained earnings	40	-	-	-	15,346	15,386	-	-	-
Other changes	-	(160)	-	-	-	(160)	(160)	80	(80)
Total transactions with owners and other	40	(160)	-	-	15,346	15,226	(14,643)	(1,048)	(15,691)
At June 30, 2026	66,084	1,870	125	370,880	-	438,959	1,817,139	130,798	1,947,937

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before tax	28,238	49,069
Depreciation and amortization	31,945	34,069
Impairment losses (reversal of impairment losses)	508	309
Share of loss (profit) of investments accounted for using equity method	(3,059)	(4,107)
Finance income and finance costs	2,524	1,419
Decrease (increase) in trade and other receivables	33,011	21,502
Decrease (increase) in inventories	(16,356)	(37,913)
Increase (decrease) in trade and other payables	(7,563)	12,080
Changes in retirement benefit asset and liability	(741)	(1,142)
Other adjustments	19,416	(3,484)
Subtotal	87,923	71,802
Interest received	828	830
Dividends received	3,708	3,004
Interest paid	(3,813)	(4,813)
Income taxes refund (paid)	(38,790)	(16,692)
Net cash provided by operating activities	49,856	54,131
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(50,230)	(32,746)
Proceeds from sale of property, plant and equipment, and intangible assets	170	266
Purchase of investments	(348)	(953)
Proceeds from sale and redemption of investments	199	1,133
Other inflows (outflows) of cash	(398)	(886)
Net cash used in investing activities	(50,607)	(33,186)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	53,931	589
Proceeds from issuance of bonds and long-term borrowings	11,603	18,539
Redemption of bonds and repayments of long-term borrowings	(17,852)	(25,762)
Repayments of lease liabilities	(3,222)	(3,182)
Purchase of treasury shares	(33,435)	(0)
Dividends paid to owners of parent	(13,615)	(14,145)
Dividends paid to non-controlling interests	(2,355)	(2,098)
Other inflows (outflows) of cash	(8)	1,054
Net cash provided by (used in) financing activities	(4,953)	(25,005)
Effect of exchange rate changes on cash and cash equivalents	(2,983)	2,694
Net increase (decrease) in cash and cash equivalents	(8,687)	(1,366)
Cash and cash equivalents at beginning of period	237,295	265,295
Cash and cash equivalents at end of period	228,608	263,929

(5) Notes to the Condensed Consolidated Financial Statements

(Applicable Financial Reporting Framework)

Toray Group's condensed consolidated financial statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements (the "Standards") of Tokyo Stock Exchange Inc. Applying the provisions for reduced disclosures set forth in Article 5, Paragraph 5 of the Standards, certain disclosures and notes required under IAS 34 "Interim Financial Reporting" have been omitted.

(Segment Information)

1. Overview of reportable segments

The reportable segments of Toray Group are the components of the Group for which discrete financial information is available and which are subject to periodic review by the Board of Directors and other relevant bodies to determine the allocation of management resources and evaluate business performance.

Toray Group identifies four reportable segments based on the product's nature and market similarity: "Fibers & Textiles," "Performance Chemicals," "Carbon Fiber Composite Materials," and "Water Treatment & Healthcare." The main products belonging to each reportable segment are as follows:

Reportable segment	Main products
Fibers & Textiles	Filament yarns, staple fibers, spun yarns, woven and knitted fabrics of nylon, polyester, acrylic and others; non-woven fabrics; ultra-microfiber non-woven fabric with suede texture; apparel products.
Performance Chemicals	Nylon, ABS, PBT, PPS and other resins and molded products; polyolefin foam; polyester, polyethylene, polypropylene and other films and processed film products; raw materials for synthetic fibers and other plastics; fine chemicals; electronic and information materials and graphic materials.
Carbon Fiber Composite Materials	Carbon fibers, carbon fiber composite materials and their molded products.
Water Treatment & Healthcare	Water treatment membranes and related equipment; pharmaceuticals; medical devices.

2. Changes in reportable segments

Under its medium-term management program, "IGNITION 2028," Toray Group positioned the water treatment business and the pharmaceutical and medical products business as businesses that share the common value proposition of supporting people's health and quality of life. Accordingly, these businesses have been integrated into the "Water Treatment & Healthcare" segment.

As a result, beginning with the first quarter of the current fiscal year, Toray Group changed its reportable segments from the previous five segments— "Fibers & Textiles," "Performance Chemicals," "Carbon Fiber Composite Materials," "Environment & Engineering," and "Life Science"— to the following four segments: "Fibers & Textiles," "Performance Chemicals," "Carbon Fiber Composite Materials," and "Water Treatment & Healthcare."

Segment information for the first quarter of the previous fiscal year has been restated to conform to the revised reportable segment.

3. Information by reportable segment

Three months ended June 30, 2025

(Millions of yen)

	Reportable segments				Other *1	Total	Reconcilia-tions *2	Consolidated total
	Fibers & Textiles	Performance Chemicals	Carbon Fiber Composite Materials	Water Treatment & Healthcare				
Revenue								
Revenue from external customers	239,897	220,069	66,869	35,802	33,192	595,829	-	595,829
Intersegment revenue	350	2,939	219	133	21,268	24,909	(24,909)	-
Total	240,247	223,008	67,088	35,935	54,460	620,738	(24,909)	595,829
Core operating income	15,192	13,608	4,627	1,384	763	35,574	(6,501)	29,073

*1 “Other” represents comprehensive engineering; industrial equipment and machinery; materials for housing, building and civil engineering applications; analysis and physical evaluation services, etc.

*2 “Reconciliations” of core operating income of ¥(6,501) million include intersegment eliminations of ¥225 million and corporate expenses of ¥(6,726) million. The corporate expenses consist of the headquarters’ research expenses that are not allocated to each reportable segment.

Three months ended June 30, 2026

(Millions of yen)

	Reportable segments				Other *1	Total	Reconcilia-tions *2	Consolidated total
	Fibers & Textiles	Performance Chemicals	Carbon Fiber Composite Materials	Water Treatment & Healthcare				
Revenue								
Revenue from external customers	259,898	251,092	89,663	40,740	37,574	678,967	-	678,967
Intersegment revenue	334	4,067	198	84	20,484	25,167	(25,167)	-
Total	260,232	255,159	89,861	40,824	58,058	704,134	(25,167)	678,967
Core operating income	17,972	23,054	7,927	3,136	2,439	54,528	(6,096)	48,432

*1 “Other” represents comprehensive engineering; industrial equipment and machinery; materials for housing, building and civil engineering applications; analysis and physical evaluation services, etc.

*2 “Reconciliations” of core operating income of ¥(6,096) million include intersegment eliminations of ¥(115) million and corporate expenses of ¥(5,981) million. The corporate expenses consist of the headquarters’ research expenses that are not allocated to each reportable segment.

Core operating income is calculated by excluding income and expenses due to non-recurring factors from operating income. Reconciliation of core operating income to operating income is as follows:

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Core operating income	29,073	48,432
Gain on sale or disposal of fixed assets	51	1,035
Loss on sale or disposal of fixed assets	(1,110)	(1,828)
Impairment losses	(508)	(309)
Operating income	27,506	47,330

* Reconciliation of operating income to profit before tax is presented in the condensed consolidated statement of profit or loss.

(Cash and Cash Equivalents)

The breakdown of cash and cash equivalents is as follows:

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Cash on hand and demand deposits	224,491	225,348
Time deposits and other short-term investments	40,804	34,278
Cash and cash equivalents as presented in the condensed consolidated statement of financial position	265,295	259,626
Cash and cash equivalents included in assets held for sale	-	4,303
Cash and cash equivalents as presented in the condensed consolidated statement of cash flows	265,295	263,929

(Assets Held for Sale)

On May 29, 2026, Toray Industries, Inc. entered into a share transfer agreement to sell its entire 66% interest in Soda Aromatic Co., Ltd., a subsidiary in the Performance Chemicals segment, to Samyang Corporation Japan, Inc., a subsidiary established by Samyang Corporation of the Republic of Korea, together with Mitsui & Co., Ltd., which holds the remaining 34% interest. Accordingly, as of June 30, 2026, assets of ¥27,303 million and liabilities of ¥7,665 million of Soda Aromatic Co., Ltd. have been classified as assets held for sale and liabilities directly associated with assets held for sale.

The transaction was completed on July 1, 2026, and Toray Group expects to recognize a gain on the sale of approximately ¥8.0 billion (net of tax) for the six months ending September 30, 2026.

(Going Concern Assumption)

Not Applicable.