



Innovation by Chemistry

Announcement of Business Results for the 2Q and Six Months Ended September 30, 2020

November 6, 2020

Toray Industries, Inc.

Toray Group has applied the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2021. In addition, figures for the comparative year have been presented in accordance with IFRS.

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**I. Consolidated Business Results for the
2Q and Six Months Ended September 30, 2020**

Summary of Consolidated Business Results for the 2Q and Six Months Ended September 30, 2020

Billion yen

	FY Mar/20 2Q (Jul.-Sept.)	FY Mar/21 2Q (Jul.-Sept.)	Changes	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Revenue	545.8	458.4	-87.4 (-16.0%)	1,059.1	856.1	-203.0 (-19.2%)
Core Operating Income	37.0	21.6	-15.4 (-41.6%)	71.4	34.1	-37.3 (-52.3%)
(Core Operating Margin)	6.8%	4.7%	-2.1 points	6.7%	4.0%	-2.8 points
Special Items	▲ 2.1	▲ 25.6	-23.5	▲ 3.0	▲ 28.6	-25.6
Finance Income and Costs	▲ 1.0	▲ 2.8	-1.8	▲ 1.1	▲ 2.3	-1.3
Share of Profit of Investments Accounted for using Equity Method	3.2	2.2	-0.9	6.1	5.3	-0.9
Profit before Tax (▲ loss)	37.0	▲ 4.6	-41.6 (-)	73.4	8.4	-65.0 (-88.5%)
Profit Attributable to Owners of Parent (▲ loss)	25.3	▲ 5.0	-30.3 (-)	50.9	4.5	-46.4 (-91.2%)

Exchange Rate		(FY Mar/20 2Q)	(FY Mar/21 2Q)	(FY Mar/20 Six Months)	(FY Mar/21 Six Months)
<Yen/US\$>	Average	107.4	106.2	108.6	106.9
	End of the Term	107.9	105.8		
<Yen/Euro>	Average	119.3	124.1	121.4	121.3
	End of the Term	118.0	124.2		

Special Items

Billion yen

	FY Mar/20 2Q (Jul.-Sept.)	FY Mar/21 2Q (Jul.-Sept.)	Changes	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Gain on Sale or Disposal of Fixed Assets	0.0	0.0	-0.0	0.1	0.1	-0.0
Loss on Sale or Disposal of Fixed Assets	▲1.1	▲ 2.1	-1.0	▲1.8	▲ 3.0	-1.2
Impairment Losses	▲1.1	▲ 23.5	-22.4	▲1.2	▲ 25.7	-24.4
Other	-	-	-	▲0.1	-	+0.1
Special Items	▲2.1	▲ 25.6	-23.5	▲3.0	▲ 28.6	-25.6

Assets, Liabilities, Equity, and Free Cash Flow

Billion yen

	End of Mar/20	End of Sept/20	Changes
Total Assets	2,733.5	2,717.1	-16.4
Current Assets	1,151.9	1,143.2	-8.7
Property, Plant and Equipment	969.2	950.8	-18.4
Other Non-current Assets	612.4	623.2	+10.8
Total Liabilities	1,532.7	1,519.9	-12.7
Current Liabilities	676.0	685.4	+9.5
Non-current Liabilities	856.7	834.5	-22.2
Equity	1,200.8	1,197.2	-3.6
Owner's Equity *	1,116.1	1,116.5	+0.4
Equity Ratio *	40.8%	41.1%	+0.3 points
Interest-bearing Liabilities	991.0	1,022.2	+31.1
D/E Ratio	0.89	0.92	+0.03

<Free Cash Flow>

	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Cash Flows from Operating Activities	114.0	97.7	-16.2
Cash Flows from Investment Activities	▲ 73.1	▲ 58.5	+14.6
Free Cash Flow	40.9	39.2	-1.7

* Owner's Equity = Equity attributable to owners of parent

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

Billion yen

	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Capital Expenditures	63.8	65.0	+1.2
Toray	14.0	14.1	+0.1
Consolidated Subsidiaries	49.8	50.9	+1.1
Depreciation and Amortization	58.3	59.1	+0.8
Toray	18.8	19.3	+0.5
Consolidated Subsidiaries	39.5	39.8	+0.3
R&D Expenditures	32.4	30.2	-2.2
Toray	23.6	22.6	-1.0
Consolidated Subsidiaries	8.8	7.7	-1.1

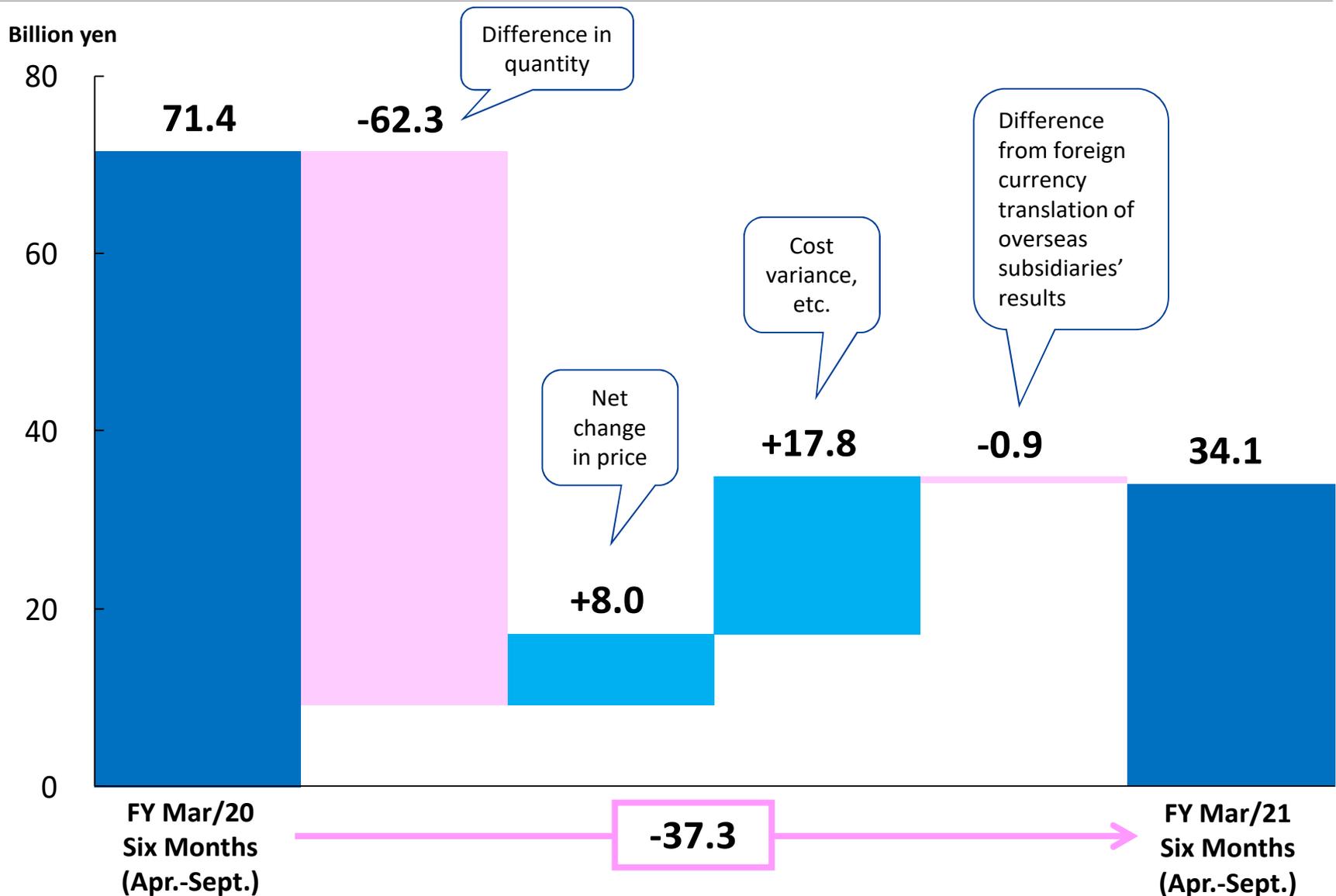
Major Capital Expenditure Projects :

Toray Industries Hungary Kft. : Battery separator film SETELA™ production facilities

Toray Plastics (America), Inc. : Polypropylene film production facilities

Toray Plastics (Malaysia) Sdn. Berhad : ABS resin production facilities

Core Operating Income Variance Factor Analysis



Revenue and Core Operating Income by Segment

Billion yen

		FY Mar/20 2Q (Jul.-Sept.)	FY Mar/21 2Q (Jul.-Sept.)	Changes	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Revenue	Fibers & Textiles	226.5	185.2	-41.3 (-18.2%)	422.3	330.2	-92.0 (-21.8%)
	Performance Chemicals	196.6	171.7	-24.9 (-12.7%)	394.1	327.3	-66.8 (-16.9%)
	Carbon Fiber Composite Materials	58.4	43.9	-14.5 (-24.8%)	119.9	89.3	-30.6 (-25.5%)
	Environment & Engineering	45.4	41.0	-4.3 (-9.6%)	87.2	78.2	-9.0 (-10.3%)
	Life Science	14.1	13.1	-1.0 (-6.8%)	26.6	24.7	-1.9 (-7.1%)
	Other	4.9	3.4	-1.4 (-29.2%)	9.0	6.3	-2.7 (-29.9%)
	Total	545.8	458.4	-87.4 (-16.0%)	1,059.1	856.1	-203.0 (-19.2%)
Core Operating Income	Fibers & Textiles	17.2	8.6	-8.5 (-49.8%)	31.7	15.8	-15.8 (-50.0%)
	Performance Chemicals	16.4	16.0	-0.4 (-2.5%)	33.2	24.1	-9.2 (-27.6%)
	Carbon Fiber Composite Materials	5.4	▲ 2.0	-7.4 (-)	11.8	▲ 0.3	-12.1 (-)
	Environment & Engineering	2.4	3.2	+0.7 (+29.0%)	3.8	4.0	+0.2 (+4.4%)
	Life Science	0.6	0.8	+0.2 (+31.0%)	1.1	0.8	-0.2 (-22.9%)
	Other	0.9	0.4	-0.5 (-54.1%)	1.4	0.6	-0.8 (-58.8%)
	Reconciliations	▲ 5.9	▲ 5.3	+0.6	▲ 11.5	▲ 10.9	+0.6
	Total	37.0	21.6	-15.4 (-41.6%)	71.4	34.1	-37.3 (-52.3%)

Business Results by Segment (Fibers & Textiles)

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	
Revenue	Toray	91.3	67.5	-23.8	(-26.0%)
	Japanese Subsidiaries	234.1	185.4	-48.7	(-20.8%)
	Overseas Subsidiaries	252.9	197.0	-55.9	(-22.1%)
	Adjustments	▲ 156.1	▲ 119.7	+36.3	
	Total	422.3	330.2	-92.0	(-21.8%)
Core Operating Income	Toray	7.2	0.2	-7.0	(-97.5%)
	Japanese Subsidiaries	6.1	4.1	-2.1	(-33.6%)
	Overseas Subsidiaries	18.0	11.5	-6.5	(-36.1%)
	Adjustments	0.4	0.1	-0.3	
	Total	31.7	15.8	-15.8	(-50.0%)

< Business Performance >

■ General

- Affected by the stagnation in production activities and consumption behavior caused by the COVID-19 in Japan and overseas.
- Demand for nonwoven fabrics increased for the applications of medical gowns and masks, but fell short of offsetting the decline in the overall sales volume in the segment.

■ Apparel Applications

- Demand declined due to lockdown and closure of retail stores in various countries.

■ Industrial Applications

- Sales volume for the mainstay automotive applications decreased, as automobile manufacturers suspended operations and decreased production volume.

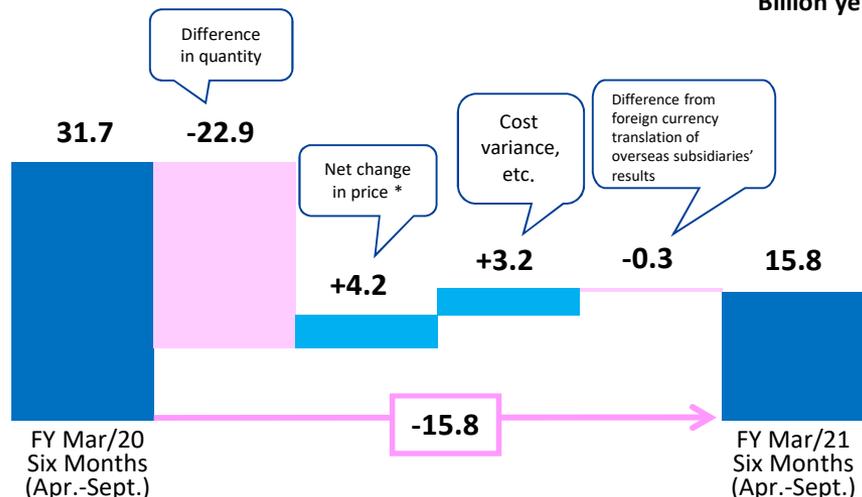
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• Jul. 2020

Collaborating with NTT TechnoCross Corporation and Goldwin Inc., successfully commercialized the first shirt-type sensor that can simultaneously measure heart rate, temperature, and humidity. Launched a service that detects signs of poor physical condition in hot environments in August 2020.

Changes in Core Operating Income

Billion yen



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Business Results by Segment (Performance Chemicals)

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	
Revenue	Toray	114.5	97.9	-16.6	(-14.5%)
	Japanese Subsidiaries	212.8	177.0	-35.8	(-16.8%)
	Overseas Subsidiaries	244.2	210.7	-33.5	(-13.7%)
	Adjustments	▲ 177.3	▲ 158.2	+19.1	
	Total	394.1	327.3	-66.8	(-16.9%)
Core Operating Income	Toray	7.0	3.4	-3.6	(-52.1%)
	Japanese Subsidiaries	8.4	4.9	-3.5	(-41.3%)
	Overseas Subsidiaries	17.7	16.1	-1.6	(-9.2%)
	Adjustments	0.1	▲ 0.3	-0.4	
	Total	33.2	24.1	-9.2	(-27.6%)

< Business Performance >

■ General

- Affected by the stagnation in production activities caused by the COVID-19.

■ Resins Business

- Demand from the automotive and industrial applications declined in Japan and overseas.

■ Chemicals Business

- Affected by the decline in the basic chemicals market.

■ Films Business

- Demand for battery separator films for lithium-ion secondary batteries remained low.

■ Electronic & Information Materials Business

- Affected by lower production at OLED related customers.

<Topics>

- Sept. 2020 :

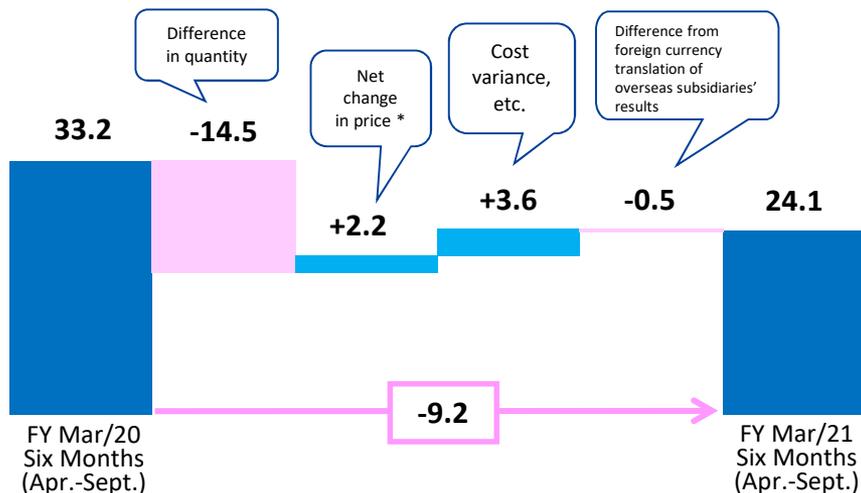
Developed and began mass production of the “advanced-grade TORAYFAN™,” a highly thermal- and voltage-resistant biaxially oriented polypropylene film for use in capacitors for electrified vehicles (xEVs).

- Sept. 2020 :

Successfully demonstrated first practical test use of the world’s first 100% VOC-free waterless EB offset printing technology with the SP Group of Spain. Aim for practical use within fiscal 2020.

Changes in Core Operating Income

Billion yen



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Breakdown of Performance Chemicals Segment

Billion yen

	FY Mar/20 Six Months (Apr.-Sept.)		FY Mar/21 Six Months (Apr.-Sept.)		
	Revenue	Ratio	Revenue	Ratio	Changes
Resins, Chemicals	164.0	29%	131.6	27%	-20%
Films	162.0	28%	147.3	30%	-9%
Electronic & Information Materials	35.5	6%	32.2	7%	-9%
Trading, Other	209.9	37%	174.5	36%	-17%
Adjustments	▲ 177.3	-	▲ 158.2	-	-
Total	394.1		327.3		-17%

Business Results by Segment (Carbon Fiber Composite Materials)

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	
Revenue	Toray	55.1	36.0	-19.1	(-34.6%)
	Japanese Subsidiaries	37.2	24.0	-13.2	(-35.5%)
	Overseas Subsidiaries	106.3	70.8	-35.5	(-33.4%)
	Adjustments	▲ 78.7	▲ 41.5	+37.2	
	Total	119.9	89.3	-30.6	(-25.5%)
Core Operating Income	Toray	6.5	0.5	-5.9	(-91.6%)
	Japanese Subsidiaries	0.9	0.7	-0.2	(-23.6%)
	Overseas Subsidiaries	6.3	▲ 1.1	-7.5	(-)
	Adjustments	▲ 2.0	▲ 0.4	+1.6	
	Total	11.8	▲ 0.3	-12.1	(-)

< Business Performance >

■ General

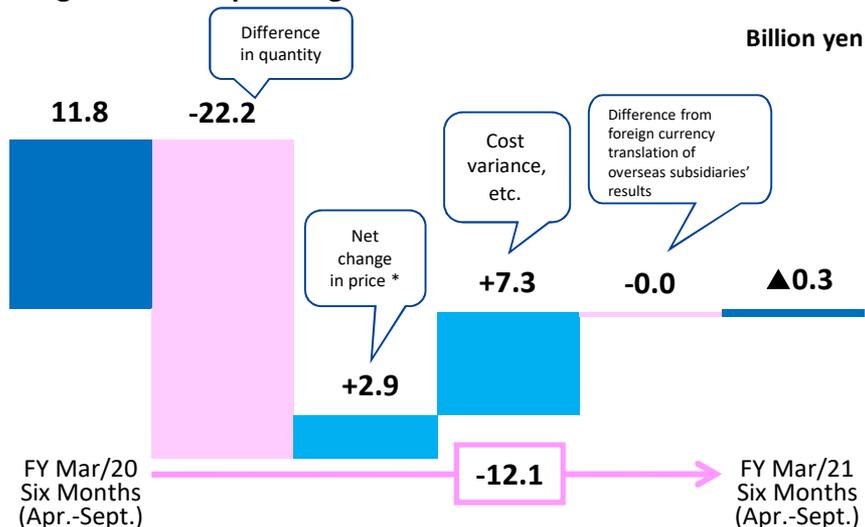
- The aerospace application was affected by the decline in the production rate of commercial aircraft.
- Among the industrial applications, sales of wind turbine blades remained strong.

< Topics >

▪ Jul. 2020 :

Concluded an agreement with Lilium GmbH of Germany, to supply carbon fiber composite materials for the UAM aircraft being developed by Lilium. Lilium is currently developing the aircraft with the aim of starting commercial operations in 2025.

Changes in Core Operating Income



* Difference in selling price and raw materials' cost and fuel prices of petrochemical-based products, etc. (net)

Breakdown of Carbon Fiber Composite Materials Segment

Billion yen

	FY Mar/20 Six Months (Apr.-Sept.)		FY Mar/21 Six Months (Apr.-Sept.)		
	Revenue	Ratio	Revenue	Ratio	Changes
Aerospace	55.6	46%	33.5	38%	-40%
Sports	9.1	8%	6.8	8%	-25%
Industrial	55.2	46%	49.0	55%	-11%
Total	119.9		89.3		-26%

Business Results by Segment (Environment & Engineering)

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	
Revenue	Toray	12.7	14.3	+1.6	(+12.3%)
	Japanese Subsidiaries	98.1	89.3	-8.8	(-8.9%)
	Overseas Subsidiaries	17.4	18.1	+0.7	(+4.2%)
	Adjustments	▲ 41.0	▲ 43.5	-2.5	
	Total	87.2	78.2	-9.0	(-10.3%)
Core Operating Income	Toray	▲ 0.3	0.8	+1.1	(-)
	Japanese Subsidiaries	1.4	0.2	-1.1	(-82.8%)
	Overseas Subsidiaries	2.8	2.9	+0.1	(+3.7%)
	Adjustments	▲ 0.0	0.0	+0.1	
	Total	3.8	4.0	+0.2	(+4.4%)

< Business Performance >

■ Water Treatment Business

- Demand for reverse osmosis membranes and other products grew strongly on the whole, while shipment to some regions were affected by the COVID-19.

■ Japanese Subsidiaries

- An engineering subsidiary experienced decreases in the shipment of some electronics related equipment.

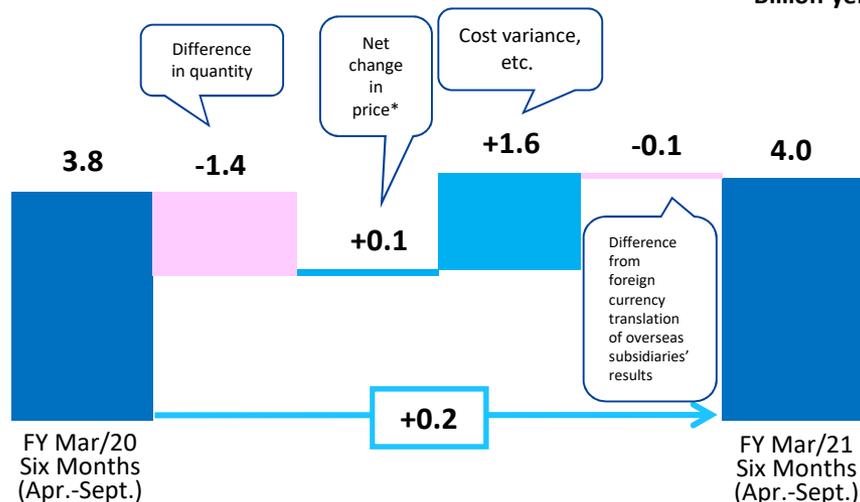
<Topics>

- Jul. 2020 :

Toray's advanced high surface-area ultrafiltration (UF) membrane module was selected for use in a large-scale wastewater treatment facility located in Wuxi, China, and started full-scale operations in June 2020.

Changes in Core Operating Income

Billion yen



* Difference in selling price and price change of products less subject to price effect of petrochemical-based raw materials (net)

Business Results by Segment (Life Science)

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	
Revenue	Toray	12.7	12.0	-0.6	(-5.0%)
	Japanese Subsidiaries	20.4	19.7	-0.7	(-3.5%)
	Overseas Subsidiaries	6.6	6.4	-0.3	(-3.9%)
	Adjustments	▲ 13.2	▲ 13.5	-0.3	
	Total	26.6	24.7	-1.9	(-7.1%)
Core Operating Income	Toray	▲ 0.0	▲ 0.4	-0.4	(-)
	Japanese Subsidiaries	0.6	1.0	+0.4	(+75.8%)
	Overseas Subsidiaries	0.3	0.3	-0.0	(-5.8%)
	Adjustments	0.2	▲ 0.1	-0.3	
	Total	1.1	0.8	-0.2	(-22.9%)

< Business Performance >

■ Pharmaceutical Business

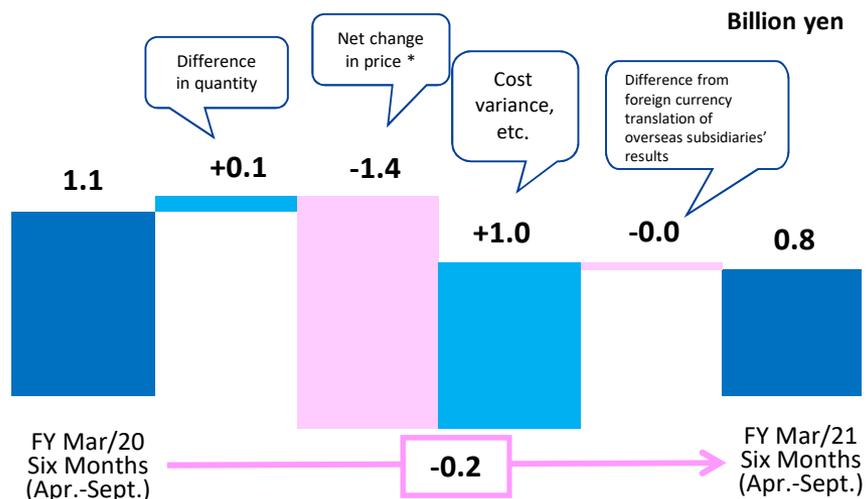
- Sales of pruritus treatment REMITCH®* were influenced by the introduction of its generic versions as well as by a major NHI drug price revision in April 2020.

■ Medical Devices Business

- Shipment of dialyzers grew strongly in Japan and overseas, despite the impact of medical institutions postponing non-urgent operations due to the spread of the COVID-19.

*REMITCH® is a registered trademark of Torii Pharmaceutical Co., Ltd.

Changes in Core Operating Income



* Difference in selling price and price change of products less subject to price effect of petrochemical-based raw materials (net)

Results of Major Subsidiaries and Regions

Billion yen

		Revenue			Core Operating Income		
		FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes	FY Mar/20 Six Months (Apr.-Sept.)	FY Mar/21 Six Months (Apr.-Sept.)	Changes
Toray International, Inc.		292.1	233.8	-58.3	6.4	5.1	-1.3
Toray Engineering Co., Ltd.		49.9	37.6	-12.4	1.0	▲ 0.7	-1.7
Toray Construction Co., Ltd.		18.3	15.2	-3.1	▲ 0.1	0.3	+0.4
Toray Advanced Film Co., Ltd.		19.2	17.8	-1.4	1.3	1.8	+0.5
Subsidiaries in Southeast Asia	Fibers & Textiles	70.2	42.3	-27.9	2.8	▲ 1.9	-4.7
	Performance Chemicals	44.7	35.8	-8.8	3.1	5.6	+2.5
	Other	0.1	0.1	-0.0	0.0	0.0	-0.0
	Total	115.0	78.2	-36.7	5.9	3.7	-2.2
Subsidiaries in China	Fibers & Textiles	111.3	96.2	-15.1	11.4	9.9	-1.5
	Performance Chemicals	40.8	40.1	-0.7	1.4	2.0	+0.6
	Other	17.9	17.9	-0.0	1.5	1.7	+0.2
	Total	170.0	154.2	-15.8	14.3	13.5	-0.8
Subsidiaries in the Republic of Korea	Fibers & Textiles	41.4	37.6	-3.8	1.3	5.1	+3.9
	Performance Chemicals	83.2	71.1	-12.1	12.5	10.3	-2.3
	Other	14.7	10.1	-4.6	2.3	1.6	-0.7
	Total	139.3	118.8	-20.5	16.1	17.0	+0.9

II. Business Forecast for the Fiscal Year Ending March 2021 (Consolidated Basis)

Forecast Summary for the Fiscal Year Ending March 2021

Assumptions for the business forecast including the impact of COVID-19

Based on the assumptions that the spread of COVID-19 will repeat the cycle of slowing down and re-spreading but eventually subside, and the economy in Japan and overseas would follow a gradual recovery trend.

Billion yen

		FY Mar/20 Actual	FY Mar/21 Forecast	Changes		August 7 Forecast	Difference from Aug. 7 Forecast
Revenue	1st Half	1,059.1	856.1	-203.0	(-19.2%)	830.0	+26.1
	2nd Half	1,032.1	1,003.9	-28.2	(-2.7%)	1,010.0	-6.1
	Total	2,091.2	1,860.0	-231.2	(-11.1%)	1,840.0	+20.0
Core Operating Income	1st Half	71.4	34.1	-37.3	(-52.3%)	25.0	+9.1
	2nd Half	54.1	45.9	-8.2	(-15.2%)	45.0	+0.9
	Total	125.5	80.0	-45.5	(-36.3%)	70.0	+10.0
Profit Attributable to Owners of Parent	1st Half	50.9	4.5	-46.4	(-91.2%)	18.0	-13.5
	2nd Half	33.3	29.5	-3.8	(-11.4%)	22.0	+7.5
	Total	84.2	34.0	-50.2	(-59.6%)	40.0	-6.0

Basic Earnings per Share	1st Half	31.82 yen	2.79 yen
	2nd Half	20.83 yen	18.45 yen
	Total	52.65 yen	21.25 yen
Dividend per Share	1st Half	8.00 yen	4.50 yen
	2nd Half	8.00 yen	4.50 yen
	Total	16.00 yen	9.00 yen
Dividend Payout Ratio	Total		42%

Assumed exchange rate :
105 yen / US\$

Forecast by Segment

Billion yen

		FY Mar/20 Actual			FY Mar/21 Forecast			Changes			Difference from August 7 Forecast		
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total
Revenue	Fibers & Textiles	422.3	408.7	831.0	330.2	374.8	705.0	-92.0	-33.9	-126.0	+15.2	+4.8	+20.0
	Performance Chemicals	394.1	367.1	761.2	327.3	367.7	695.0	-66.8	+0.6	-66.2	+17.3	-7.3	+10.0
	Carbon Fiber Composite Materials	119.9	117.0	236.9	89.3	100.7	190.0	-30.6	-16.3	-46.9	-0.7	-4.3	-5.0
	Environment & Engineering	87.2	103.6	190.8	78.2	128.8	202.0	-9.0	+20.2	+11.2	-3.8	-1.2	-5.0
	Life Science	26.6	26.5	53.0	24.7	28.3	53.0	-1.9	+1.9	-0.0	-0.3	+0.3	—
	Other	9.0	9.2	18.2	6.3	8.7	15.0	-2.7	-0.5	-3.2	-1.7	+1.7	—
	Consolidated	1,059.1	1,032.1	2,091.2	856.1	1,003.9	1,860.0	-203.0	-28.2	-231.2	+26.1	-6.1	+20.0
Core Operating Income	Fibers & Textiles	31.7	27.9	59.6	15.8	20.2	36.0	-15.8	-7.7	-23.6	+2.8	+1.2	+4.0
	Performance Chemicals	33.2	21.3	54.5	24.1	34.9	59.0	-9.2	+13.6	+4.5	+4.1	-1.1	+3.0
	Carbon Fiber Composite Materials	11.8	10.8	22.6	▲ 0.3	▲ 6.7	▲ 7.0	-12.1	-17.5	-29.6	+1.7	-0.7	+1.0
	Environment & Engineering	3.8	6.8	10.6	4.0	10.0	14.0	+0.2	+3.3	+3.4	+0.5	-0.5	—
	Life Science	1.1	▲ 0.6	0.5	0.8	0.2	1.0	-0.2	+0.8	+0.5	+0.8	+0.2	+1.0
	Other	1.4	2.2	3.6	0.6	1.4	2.0	-0.8	-0.8	-1.6	+0.1	-0.1	—
	Reconciliations	▲ 11.5	▲ 14.3	▲ 25.8	▲ 10.9	▲ 14.1	▲ 25.0	+0.6	+0.2	+0.8	-0.9	+1.9	+1.0
	Consolidated	71.4	54.1	125.5	34.1	45.9	80.0	-37.3	-8.2	-45.5	+9.1	+0.9	+10.0

Comparison of Core Operating Income (Aug. 7 vs. New) by Segment

Segments	Full-year Core Operating Income Forecast (Billion yen) August 7 → New () difference	Variance Factors
Fibers & Textiles	32.0 → 36.0 (+ 4.0)	<ul style="list-style-type: none"> • Expect apparel applications to recover at a gradual pace from the impact of COVID-19. • In the industrial applications, expect demand for PP spunbond to increase for hygiene products and mask applications, and the spread to improve. Expect demand for automotive applications to recover mainly in the Chinese market.
Performance Chemicals	56.0 → 59.0 (+ 3.0)	<ul style="list-style-type: none"> • In the resins business, expect demand for ABS resins to recover in the Chinese market. Engineering plastics for automotive applications are on a recovery trend. • In the films business, expect sales of MLCC release films and display applications to expand. • In the electronic & information materials business, expect sales expansion due to increased demand for electronic circuit materials for smartphones.
Carbon Fiber Composite Materials	▲ 8.0 → ▲ 7.0 (+ 1.0)	<ul style="list-style-type: none"> • Pursue cost reductions including operating expenses and production fixed costs.
Environment & Engineering	14.0 → 14.0 (±0.0)	<ul style="list-style-type: none"> • Expect to be in line with the previous forecast.
Life Science	0.0 → 1.0 (+ 1.0)	<ul style="list-style-type: none"> • Pursue cost reductions including operating expenses.
Other	2.0 → 2.0 (±0.0)	
Reconciliations	▲ 26.0 → ▲ 25.0 (+ 1.0)	
Total	70.0 → 80.0 (+ 10.0)	

III. Reference

Impact of IFRS Adoption in FY Mar/20 Six Months (Apr.-Sept.)

Billion yen

FY Mar/20 Six Months (Apr.-Sept.) Actual				Changes	Main Differences
J-GAAP		IFRS			
Net Sales	1,122.4	Revenue	1,059.1	-63.3	Net presentation of transactions as agent, Changes in the timing of revenue recognition
Operating Income	71.6	Core Operating Income	71.4	-0.2	Non-amortization of goodwill, Reclassifications of non-operating income and expenses
Income before Income Tax	67.6	Profit before Tax	73.4	+5.9	Non-amortization of goodwill, Exclusion of gains and losses on sale and impairment of investment securities
Net Income Attributable to Owners of Parent	45.7	Profit Attributable to Owners of Parent	50.9	+5.2	

Impact of IFRS Adoption in FY Mar/20 Six Months (Apr.-Sept.) by Segment

Billion yen

		FY Mar/20 Six Months (Apr.-Sept.) Actual		Changes
		J-GAAP	IFRS	
Net Sales / Revenue	Fibers & Textiles	451.2	422.3	-29.0
	Performance Chemicals	397.7	394.1	-3.6
	Carbon Fiber Composite Materials	120.5	119.9	-0.5
	Environment & Engineering	117.4	87.2	-30.2
	Life Science	26.6	26.6	+0.0
	Other	9.0	9.0	-0.0
	Total	1,122.4	1,059.1	-63.3

Main Differences
<ul style="list-style-type: none"> • Net presentation of transactions as agent • Changes in the timing of revenue recognition

		FY Mar/20 Six Months (Apr.-Sept.) Actual		Changes
		J-GAAP	IFRS	
Operating Income / Core Operating Income	Fibers & Textiles	32.1	31.7	-0.4
	Performance Chemicals	33.7	33.2	-0.4
	Carbon Fiber Composite Materials	10.7	11.8	+1.1
	Environment & Engineering	3.9	3.8	-0.1
	Life Science	1.3	1.1	-0.2
	Other	1.3	1.4	+0.1
	Reconciliations	▲ 11.3	▲ 11.5	-0.2
	Total	71.6	71.4	-0.2

Breakdown of the Differences	
Non-amortization of Goodwill	Others
+0.0	-0.4
+2.2	-2.6
+3.2	-2.1
+0.2	-0.2
—	-0.2
—	+0.1
—	-0.2
+5.5	-5.7

Impact of IFRS Adoption in FY Mar/20

Billion yen

FY Mar/20 Actual				Changes	Main Differences
J-GAAP		IFRS			
Net Sales	2,214.6	Revenue	2,091.2	-123.5	Net presentation of transactions as agent, Changes in the timing of revenue recognition
Operating Income	131.2	Core Operating Income	125.5	-5.7	Non-amortization of goodwill, Reclassifications of non-operating income and expenses
Income before Income Tax	94.0	Profit before Tax	123.3	+29.3	Non-amortization of goodwill, Exclusion of gains and losses on sale and impairment of investment securities
Net Income Attributable to Owners of Parent	55.7	Profit Attributable to Owners of Parent	84.2	+28.5	

Impact of IFRS Adoption in FY Mar/20 by Segment

Billion yen

		FY Mar/20 Actual		Changes	Main Differences
		J-GAAP	IFRS		
Net Sales / Revenue	Fibers & Textiles	883.1	831.0	-52.2	<ul style="list-style-type: none"> • Net presentation of transactions as agent • Changes in the timing of revenue recognition
	Performance Chemicals	770.8	761.2	-9.6	
	Carbon Fiber Composite Materials	236.9	236.9	-0.0	
	Environment & Engineering	252.3	190.8	-61.4	
	Life Science	53.3	53.0	-0.2	
	Other	18.2	18.2	+0.0	
	Total	2,214.6	2,091.2	-123.5	

		FY Mar/20 Actual		Changes	Breakdown of the Differences	
		J-GAAP	IFRS		Non-amortization of Goodwill	Others
Operating Income / Core Operating Income	Fibers & Textiles	60.7	59.6	-1.1	+0.0	-1.1
	Performance Chemicals	58.7	54.5	-4.2	+4.3	-8.5
	Carbon Fiber Composite Materials	21.0	22.6	+1.6	+6.3	-4.7
	Environment & Engineering	11.2	10.6	-0.7	+0.3	-1.0
	Life Science	1.6	0.5	-1.1	—	-1.1
	Other	3.4	3.6	+0.2	—	+0.2
	Reconciliations	▲ 25.5	▲ 25.8	-0.4	—	-0.4
	Total	131.2	125.5	-5.7	+10.9	-16.6

Quarterly Revenue by Segment

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Fibers & Textiles	195.8	226.5	219.0	189.7	831.0	145.0	185.2
Performance Chemicals	197.5	196.6	187.9	179.2	761.2	155.6	171.7
Carbon Fiber Composite Materials	61.5	58.4	59.6	57.3	236.9	45.4	43.9
Environment & Engineering	41.8	45.4	43.2	60.5	190.8	37.2	41.0
Life Science	12.5	14.1	13.8	12.7	53.0	11.6	13.1
Other	4.2	4.9	4.1	5.1	18.2	2.9	3.4
Consolidated	513.2	545.8	527.5	504.6	2,091.2	397.6	458.4

Quarterly Core Operating Income by Segment

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Fibers & Textiles	14.5	17.2	16.3	11.6	59.6	7.2	8.6
Performance Chemicals	16.9	16.4	13.8	7.5	54.5	8.1	16.0
Carbon Fiber Composite Materials	6.4	5.4	6.3	4.5	22.6	1.7	▲ 2.0
Environment & Engineering	1.4	2.4	1.7	5.1	10.6	0.8	3.2
Life Science	0.5	0.6	0.6	▲ 1.1	0.5	0.1	0.8
Other	0.4	0.9	0.7	1.5	3.6	0.1	0.4
Reconciliations	▲ 5.6	▲ 5.9	▲ 6.6	▲ 7.7	▲ 25.8	▲ 5.5	▲ 5.3
Consolidated	34.5	37.0	32.7	21.4	125.5	12.5	21.6

Quarterly Revenue of Performance Chemicals by Sub-segments

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Resins, Chemicals	84.3	79.6	80.9	75.5	320.4	59.7	71.9
Films	81.2	80.8	79.5	75.4	316.9	70.9	76.4
Electronic & Information Materials	16.2	19.3	17.4	14.4	67.4	14.6	17.6
Trading, Other	109.7	100.2	99.6	98.0	407.4	87.7	86.8
Adjustments	▲ 94.0	▲ 83.3	▲ 89.5	▲ 84.0	▲ 350.8	▲ 77.2	▲ 81.0
Total	197.5	196.6	187.9	179.2	761.2	155.6	171.7

Quarterly Revenue of Carbon Fiber Composite Materials by Sub-segments

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Aerospace	29.2	26.5	26.8	25.4	107.8	17.4	16.1
Sports	4.9	4.2	4.4	3.5	17.0	3.2	3.7
Industrial	27.4	27.8	28.4	28.4	112.0	24.9	24.1
Total	61.5	58.4	59.6	57.3	236.9	45.4	43.9

Quarterly Revenue of Major Subsidiaries and Regions

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Toray International, Inc.	139.6	152.6	158.3	125.1	575.5	111.1	122.7
Toray Engineering Co., Ltd.	23.4	26.6	26.1	36.7	112.7	17.5	20.1
Toray Construction Co., Ltd.	8.2	10.1	8.1	16.9	43.4	5.5	9.7
Toray Advanced Film Co., Ltd.	9.3	9.9	9.6	8.7	37.5	9.3	8.5

Subsidiaries in Southeast Asia	Fibers & Textiles	34.7	35.6	33.5	31.9	135.7	18.7	23.6
	Performance Chemicals	23.2	21.5	21.7	19.0	85.4	15.4	20.5
	Other	0.0	0.0	0.0	0.1	0.2	0.0	0.0
	Total	57.9	57.1	55.3	50.9	221.2	34.1	44.1
Subsidiaries in China	Fibers & Textiles	50.6	60.8	56.3	37.5	205.1	40.1	56.1
	Performance Chemicals	21.7	19.1	20.4	16.5	77.7	18.9	21.2
	Other	9.1	8.7	10.3	6.7	34.8	9.0	8.9
	Total	81.5	88.6	87.0	60.6	317.7	68.0	86.2
Subsidiaries in the Republic of Korea	Fibers & Textiles	20.8	20.6	21.5	21.4	84.3	18.2	19.4
	Performance Chemicals	40.5	42.7	42.7	36.6	162.5	32.7	38.4
	Other	7.5	7.2	6.6	5.3	26.6	5.0	5.2
	Total	68.8	70.5	70.8	63.3	273.4	55.8	63.0

Quarterly Core Operating Income of Major Subsidiaries and Regions

IFRS

Billion yen

	FY Mar/20					FY Mar/21	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Toray International, Inc.	2.9	3.6	3.6	2.8	12.9	1.9	3.3
Toray Engineering Co., Ltd.	0.4	0.7	0.5	2.0	3.6	▲0.6	▲0.0
Toray Construction Co., Ltd.	▲0.2	0.1	▲0.2	1.0	0.6	▲0.4	0.7
Toray Advanced Film Co., Ltd.	0.5	0.7	0.8	0.5	2.6	0.8	1.0

Subsidiaries in Southeast Asia	Fibers & Textiles	1.4	1.3	1.4	0.5	4.8	▲1.2	▲0.7
	Performance Chemicals	1.9	1.2	1.5	1.6	6.3	1.4	4.2
	Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Total	3.3	2.6	3.0	2.2	11.0	0.2	3.5
Subsidiaries in China	Fibers & Textiles	5.6	5.8	5.1	3.0	19.5	4.9	5.0
	Performance Chemicals	0.7	0.7	0.9	0.8	3.2	1.0	1.0
	Other	0.7	0.7	0.6	0.2	2.3	0.8	0.8
	Total	7.1	7.2	6.6	4.1	25.0	6.7	6.8
Subsidiaries in the Republic of Korea	Fibers & Textiles	0.5	0.8	1.0	0.7	3.0	2.8	2.4
	Performance Chemicals	5.7	6.8	6.4	4.4	23.3	4.5	5.8
	Other	1.2	1.0	0.5	0.6	3.4	0.8	0.7
	Total	7.4	8.6	7.9	5.7	29.6	8.1	8.9

External Evaluations from the Perspectives of ESG



WATER

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FTSE Blossom
Japan

2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

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