

Overview by Solution

Films and Functional Materials Solution

Overview of fiscal 2022

In fiscal 2022, Toyobo's Films and Functional Materials Solutions Division had net sales of ¥170.3 billion, and operating profit of ¥19.9 billion.

In the film business, the packaging film field had a challenging year, due to the impact of rising raw materials prices. Within the industrial film field, COSMOSHINE SRF®, a polarizer protective film for LCDs, achieved a sales revenue increase of approximately 20% as a result of a new production line commencing operation, while mold releasing films for MLCC posted sales revenue increase of approximately 15% for the same reason.

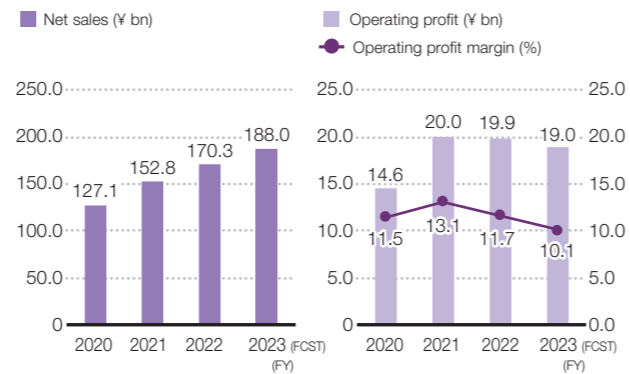
In the functional materials business, our VYLON® industrial adhesive product saw strong sales for electronic applications.

Forecast for fiscal 2023

It is anticipated that persistently high raw materials prices will have a negative impact on performance in fiscal 2023. On the other hand, we will be adding a new production line for manufacturing mold releasing films for MLCC in response to growing demand in the telecommunications

equipment market. We will also be expanding production of COSMOSHINE SRF®, a polarizer protective film for LCDs, through the installation of a new production line, supported by steady demand for use in the manufacturing of large-screen TV sets.

Based on the above, we anticipate net sales of ¥188 billion and operating profit of ¥19 billion in fiscal 2023.



Lifestyle and Environment Solutions

Overview of fiscal 2022

In fiscal 2022, Toyobo's Lifestyle and Environment Solutions Division had net sales of ¥114.3 billion and operating profit of ¥3.5 billion.

In the environmental solutions business, there was a fall in orders for VOC treatment equipment, which is used to recover solvents, resulting from the slowdown in business activity overseas in the previous year.

With regard to the nonwoven fabrics business, sales of spunbond nonwoven filament fiber were negatively affected by the reduction in production volume in the automotive sector and by rising raw materials prices.

In the functional fiber materials business, demand for IZANAS® and ZYLON® super-fibers recovered, leading to increased sales of these products.

As regards the textiles business, while there was strong demand for traditional Arabic fabric, demand for products oriented towards sports applications and uniforms was depressed.

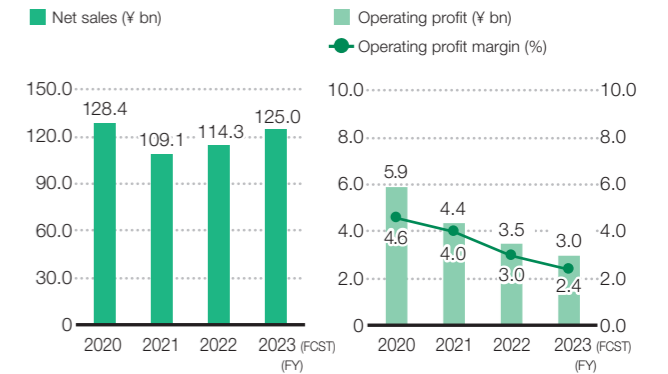
Forecast for fiscal 2023

In the environmental solution business, we will be

responding to the increased demand for VOC treatment equipment that is related to the growth in the number of lithium-ion battery production facilities being established in response to the global trend toward electric vehicle adoption.

We will be enhancing the efficiency of our textiles business through the integration of resources made possible by the restructuring of group companies.

Based on the above, we anticipate sales of ¥125 billion and operating profit of ¥3 billion in fiscal 2023.



Mobility Solution

Overview of fiscal 2022

In fiscal 2022, Toyobo's Mobility Solutions Division had net sales of ¥44.7 billion and operating loss of ¥1.8 billion.

The engineering plastics business posted strong sales overseas, and was able to adjust prices overseas in response to rising raw materials prices. Within Japan, however, price adjustments failed to keep pace with rising raw materials prices.

The airbag fabrics business saw an increase in sales due to the recovery in automotive sector production volumes. However, inability to adjust prices sufficiently in response to rising raw materials prices caused difficulties.

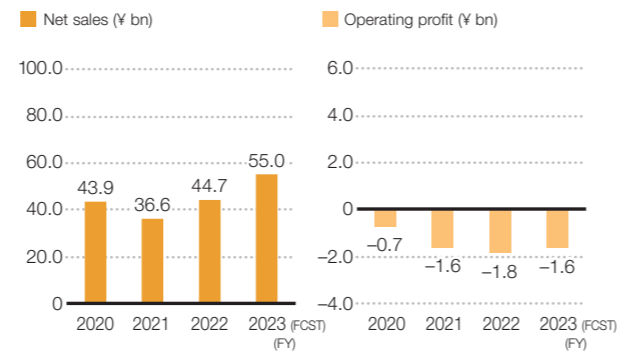
Forecast for fiscal 2023

In the engineering plastics business, raw materials prices are expected to remain high, but we will continue to adjust our sale prices.

We are also proceeding with price adjustments in the airbag fabrics business, and we are striving to improve the revenue structure of this business. Our new yarn plant in Thailand was scheduled to begin operation in 2022,

aiming to start full-scale commercial production in 2023, and we are in the process of obtaining certification from customers.

Based on the above, we anticipate net sales of ¥55 billion and operating loss of ¥1.6 billion in fiscal 2023.



Life Science Solution

Overview of fiscal 2022

In fiscal 2022, Toyobo's Life Science Solutions Division had net sales of ¥35 billion and operating profit of ¥8.7 billion.

In the biotechnology business, there was an increase in sales of raw materials and reagents for use in PCR testing, and of genetic screening devices and diagnostic drugs.

The contract manufacturing business of pharmaceuticals was relatively subdued due to reduced capacity utilization relating to the response to FDA requirements.

In the medical products business, sales of artificial kidney hollow fiber membranes and of virus-removing membranes were robust.

Forecast for fiscal 2023

In the biotechnology business, demand for PCR testing is expected to fall as the COVID-19 pandemic eases.

The main focus in the contract manufacturing business of pharmaceuticals will be on responding to FDA requirements, aiming to get the business back on a normal footing as soon as possible.

In the medical materials business, we will continue to expand sales of artificial kidney hollow fiber membranes and of virus-removing membranes. We are working actively to develop sales of Nerbridge® nerve regeneration conduit in the U.S. market, and striving to grow sales of Bonarc® bone regeneration inducing materials in the Japanese market.

Based on the above, we anticipate sales of ¥31 billion and operating profit of ¥5.5 billion in fiscal 2023.

