



November 9, 2020

Presentation to Investors

TOYOBO CO., LTD.

Our apologies

We pray that the souls of our two employees who lost their lives due to the fire accident that occurred at the Company's Inuyama Plant on September 27, 2020 rest in peace, and extend our deepest sympathies to their families.

Moreover, we sincerely apologize to concerned parties for the enormous inconvenience and concern caused by this accident.

Overview of the fire accident

1. Date and time of occurrence

Sept. 27, around 9 p.m. (Suppressed at Sept. 28, 1 a.m.)

2. Place of occurrence

Inuyama Plant (Aichi prefecture)

3. Damage situation

2 fatalities (employees), 1 injury (employee) returned to work.

4. Overview

Buildings for the production of packaging films and a portion of production equipment were affected.

5. Causes and countermeasures

Established Accident Investigation Committee, currently investigating the cause.
We will take the appropriate measures under the direction of the relevant authorities.

6. Resumption status

Excluding some products, shipments resumed from Sept. 30.
Production facilities that have received approval for operations from relevant authorities will be restarted successively after confirming safety.

7. Impact on the business performance

We will promptly notify you of any significant impact that may be expected.

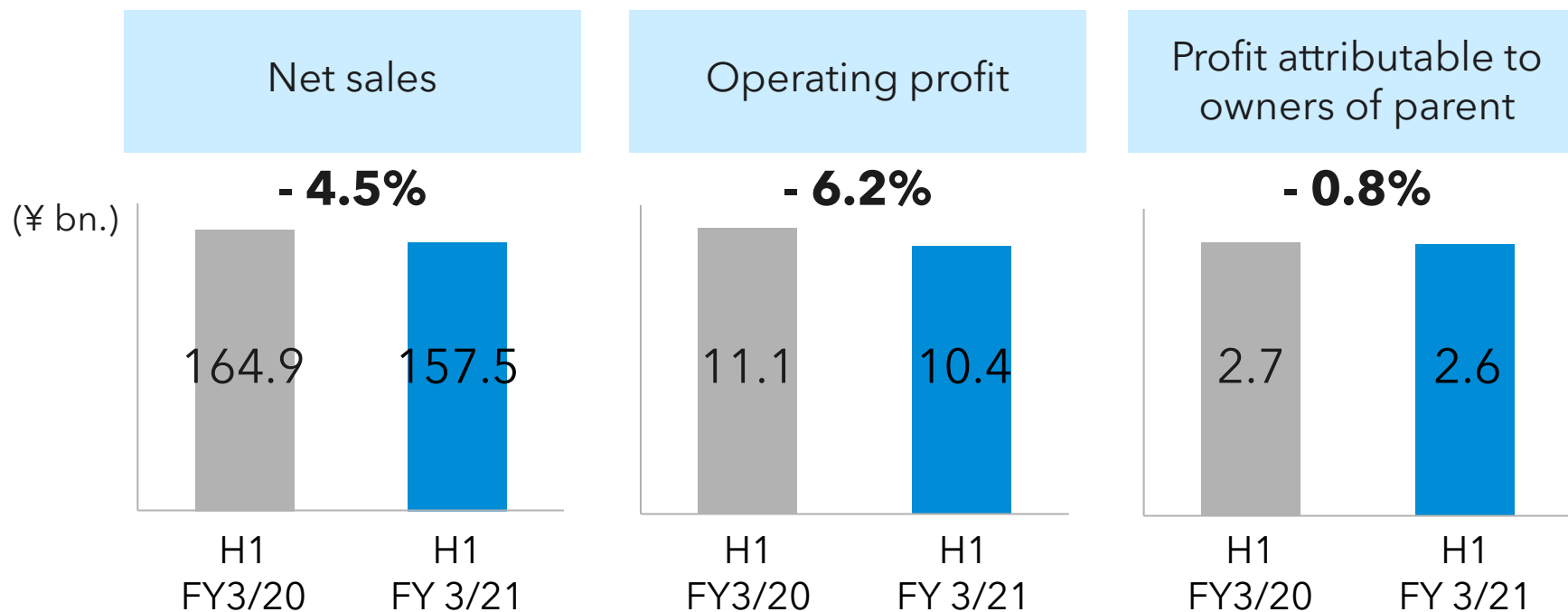


1. Results for H1 of FY 3/21

Highlights

H1 FY 3/21

- Despite both sales and profit decreasing as the impact of the spread of COVID-19 was significant, a decrease in profit was modest due to solid performance of the films business.
- Sales of ¥157.5 bn. (down 4.5%), operating profit of ¥10.4 bn. (down 6.2%)

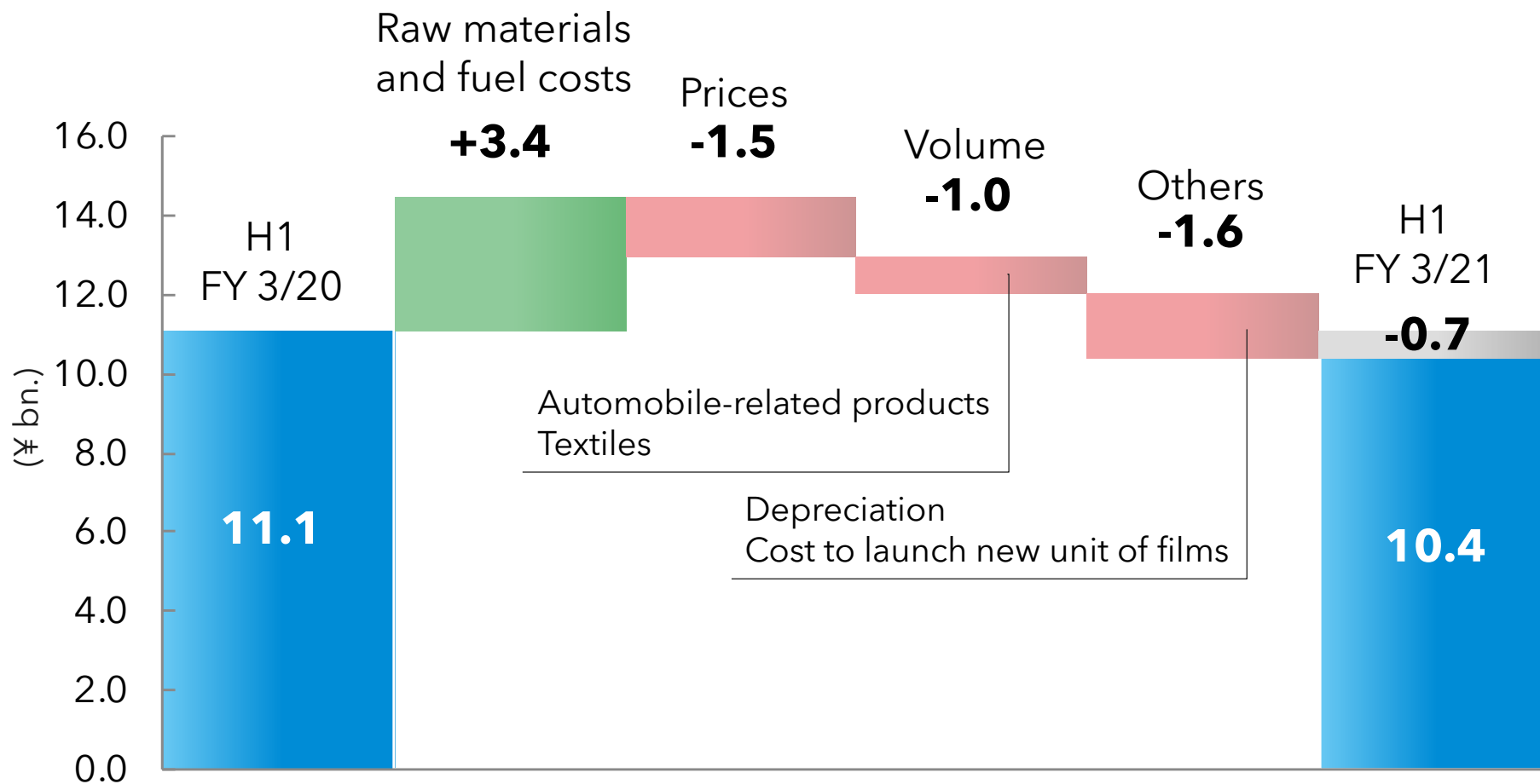


Summary of Results: PL

(¥ bn.)

	FY 3/20		FY 3/21	YOY	
	H1	H2	H1	Amount	%
Net sales	164.9	174.7	157.5	- 7.4	- 4.5%
Operating profit	11.1	11.7	10.4	- 0.7	- 6.2%
(Ratio to sales)	6.7%	6.7%	6.6%	-	-
Ordinary profit	9.0	9.1	5.9	- 3.1	- 34.6%
Extraordinary income and losses	- 4.8	6.4	- 1.9	+ 2.8	-
Profit attributable to owners of parent	2.7	11.1	2.6	- 0.0	- 0.8%
EBITDA* <small>*Operating profit + Depreciation (includes goodwill)</small>	19.2	20.6	19.5	+ 0.4	+1.8%
EPS (¥)	30.0	125.1	29.7	-	-
ROE*	7.8%		3.0%	-	-
*Annualized for H1 of FY 3/21. (profit*2/beginning and ending balance average shareholder's equity)					
Operating CF	14.5	29.7	13.4	- 1.1	- 7.7%
Depreciation	8.1	8.9	9.1	+ 1.0	+13.0%
CAPEX	14.4	22.1	11.8	- 2.5	- 17.6%
Exchange rate (¥/US\$)	109	109	107		
Naphtha price in Japan (thousand¥/kl)	43	43	28		

Analysis in Changes in Operating Profit



	H1 FY 3/20	H1 FY 3/21
Exchange rate (¥/US\$)	109	107
Naphtha price in Japan (thousand¥/kl)	43	28

Summary of Results: BS

		(B)	(A)	(¥ bn.)
	Mar. 31, 2019	Mar. 31, 2020	Sept. 30, 2020	(A)-(B)
Total assets	461.0	488.9	487.0	- 1.9
Cash and deposits	22.3	25.2	30.0	+ 4.8
Inventories	76.8	80.6	80.5	- 0.1
Non current assets	267.9	282.5	287.6	+ 5.2
Net assets	181.2	182.6	183.5	+ 0.9
Shareholder's equity	176.6	177.9	179.1	+ 1.2
(Retained earnings)	51.9	61.9	61.0	- 0.9
Non-controlling interests	4.6	4.7	4.4	- 0.3
Interest-bearing debt	164.8	175.1	189.3	+ 14.1
D/E ratio	0.93	0.98	1.06	-
Net D/E ratio*	0.81	0.84	0.89	-

* $(\text{Interest-bearing debt} - \text{Cash and deposits}) / \text{Shareholder's equity}$

Films and Functional Materials



(¥ bn.)

	FY 3/20			FY 3/21			H1 YOY	
	Q1	Q2	H1	Q1	Q2	H1	Amount	%
Net sales	29.5	30.4	59.9	36.3	37.5	73.8	+13.9	+23.1%
Operating profit (OPM)	3.3	4.0	7.3	3.9	4.8	8.7	+1.4	+19.5%
	11.3%	13.0%	12.2%	10.8%	12.8%	11.8%	-	-

Packaging film

- Special demand from people staying at home offset the decline in sales of products for professional use, etc. caused by the spread of infection of COVID-19.
- Environmentally friendly films achieved growth in sales due to rising eco-consciousness.

Environmentally conscious packaging film

- "CYCLE CLEAN", film with 80% recycled resin, etc.
- In H1, sales increased by approx. 5%.
Approx. 20% of net sales within packaging films.



Films and Functional Materials

Industrial film

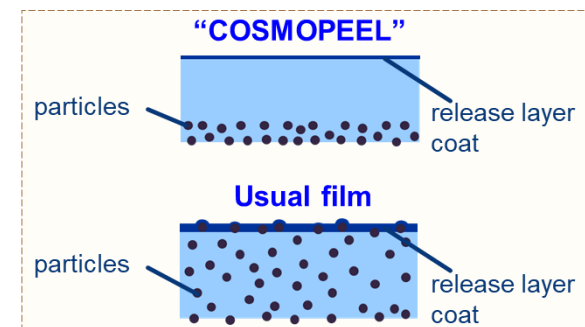
“COSMOSHINE SRF”

- In H1, sales increased by approx. 30%.
Started mass production of new unit from July 2020.
- Expecting approx. 1.5-fold increase in production capacity.
- Expansion of share due to superior water resistance and durability.



Mold releasing film for MLCC “COSMOPEEL”

- In H1, sales increased by approx. 5%.
- Affected by production adjustments of automobiles.



Functional Materials

- Industrial adhesives “Vylon” and adhesion promoter for polyolefin “HARDLEN” were sluggish for automotive and electronic materials applications.



(¥ bn.)

	FY 3/20			FY 3/21			H1 YOY	
	Q1	Q2	H1	Q1	Q2	H1	Amount	%
Net sales	1 1.7	1 0.5	2 2.2	6.8	8.2	1 5.0	- 7.2	- 32.3%
Operating profit (OPM)	0.3	- 0.7	- 0.4	- 0.7	- 0.6	- 1.3	- 0.9	-
	2.7%	-	-	-	-	-	-	-

Airbag fabrics

- Sales declined by 30% primarily in Thailand and the United States. Demand is expected to recover going forward.

Production of airbag yarns

- Set up a joint venture firm with Indorama Polyester Industries PCL (IPI, Thailand-based)
Toyobo-Indorama Advanced Fibers PCL (TIAF, Thailand-based)
- Stakes: TOYOBO, 50%; IPI, 50%
- Establishment date: Nov. 2020
Start of operation: Scheduled for spring, 2022
- Production capacity: Maximum output of 11,000 tons p.a.

Engineering plastics

- Despite signs of recovery primarily in China and the United States, sales decreased from the same period of the previous fiscal year.

Lifestyle and Environmental



(¥ bn.)

	FY 3/20			FY 3/21			H1 YOY	
	Q1	Q2	H1	Q1	Q2	H1	Amount	%
Net sales	30.7	33.1	63.8	22.9	27.3	50.2	- 13.6	- 21.4%
Operating profit	0.9	1.5	2.4	0.3	1.4	1.8	- 0.6	- 26.8%
(OPM)	2.9%	4.6%	3.8%	1.5%	5.2%	3.5%	-	-

Environmental solutions

- Sales of VOC emissions treatment equipment for recovering solvents were steady due to orders such as received prior to the spread of COVID-19.

Nonwoven fabrics

- Spunbond for automotive applications and filters for office machinery struggled.
- Strong for air purifiers and masks.

Functional fiber materials

- Polyester staple fibers for use in hygiene products and "BREATHAIR" for bedding applications were strong.
- Demand of "Tsunoooga" for gloves for plant operation decreased.

Textiles

- Orders drastically decreased due to sluggish store sales.

	FY 3/20			FY 3/21			H1 YOY	
	Q1	Q2	H1	Q1	Q2	H1	Amount	%
Net sales	6.0	6.5	12.5	6.3	6.0	12.4	- 0.1	- 1.1%
Operating profit (OPM)	0.9	1.1	2.0	1.0	0.6	1.6	- 0.4	- 20.4%
	14.6%	17.4%	16.1%	15.7%	10.0%	12.9%	-	-

Biotechnology

- Demand for raw materials for diagnostic reagents and general testing decreased.
- Sales of raw materials for PCR-related testing and reagents for research increased significantly.

Reagents for genetic testing of COVID-19 for “GENECUBE”

- Detect COVID-19 in as quickly as 35 minutes after the sample arrives at the laboratory.
- Automated testing enables immediate genetic testing of COVID-19 in clinical settings.

Medical materials

- Sales of “Nerbridge” were on par with the previous fiscal year.
- Sales strong for membranes for dialysis.

Pharmaceuticals

- Faced challenges due to the impact of a portion of operations being suspended.



Measures against COVID-19

TOYOBO Group's top priority has been the safety and wellbeing of our employees and their families, with the primary goal of protecting both society and the Company. We are also making a positive contribution through our products and services.

Employees

- Continues infection prevention and control measures.
- Continues home-based working and staggered working hours.
- Less than 60% of employees going to the office (Head office and Branches).

Finance

- OC100 (Overcome Coronavirus 100)
 - Review period for non-urgent cashing out.
 - Lower inventories.
 - Cost reduction in Plants.

Plants and production activities

- Flexible inventory and production adjustments.

Contribution through our business

- Development, production, sale and donation to local governments.
- Kits for PCR testing.
- Filter material, material for face mask, gowns for medical application, material for face shield for medical application.
- Protective clothing that uses airbag fabrics.





2. Forecasts for FY 3/21

Forecasts for FY 3/21

Despite only a slight decrease in profit in H1, the full-year forecast of operating profit remains unchanged as uncertainty remains strong.

(¥ bn.)

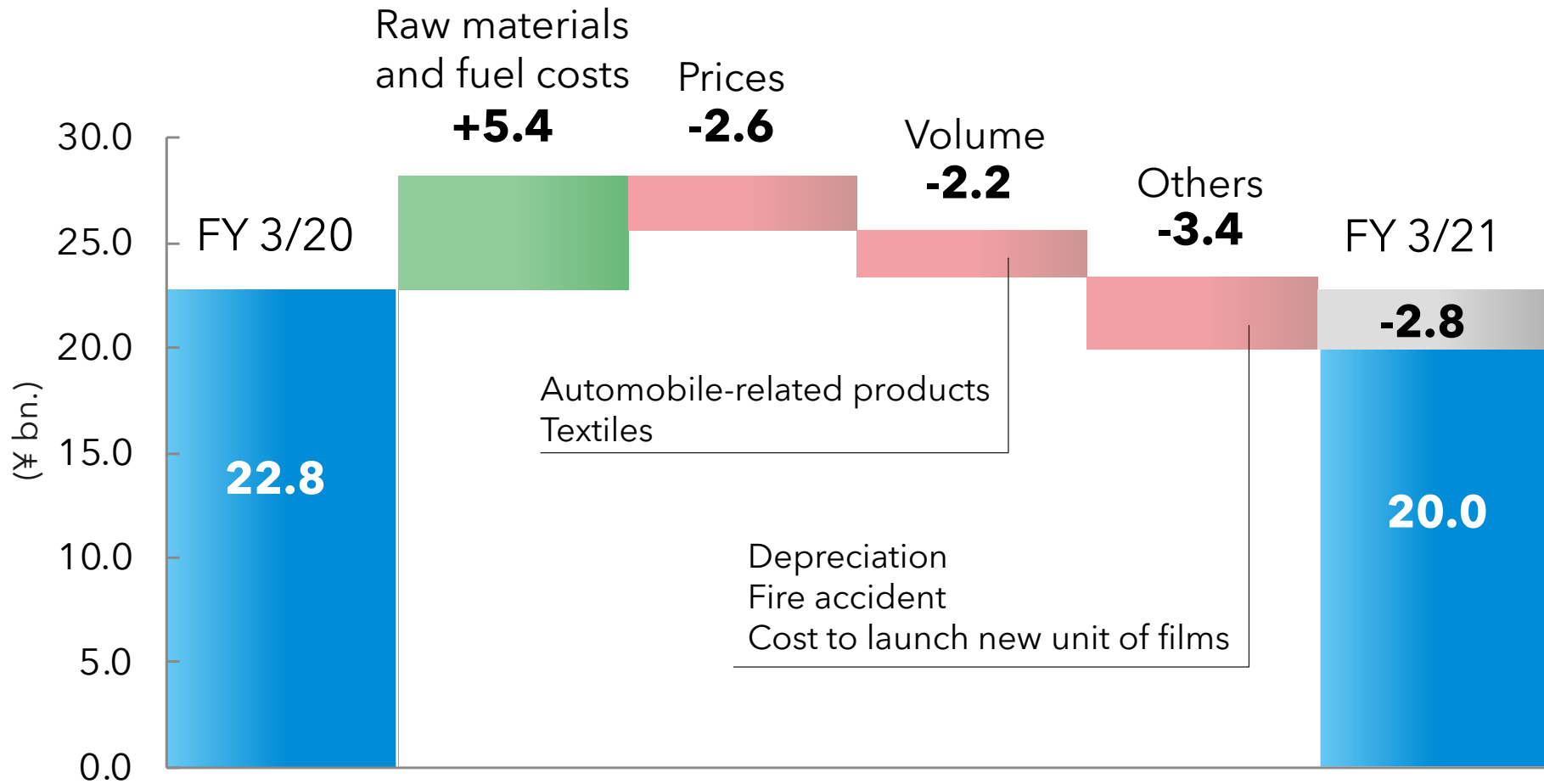
	FY 3/20	FY 3/21			YOY	
	result	H1	H2	forecasts	Amount	%
Net sales	339.6	157.5	172.5	330.0	- 9.6	- 2.8%
Operating profit	22.8	10.4	9.6	20.0	- 2.8	- 12.3%
(Ratio to sales)	6.7%	6.6%	5.6%	6.1%	-	-
Ordinary profit	18.0	5.9	8.1	14.0	- 4.0	- 22.4%
Extraordinary income and losses	1.7	- 1.9	- 2.3	- 4.2	- 5.9	-
Profit attributable to owners of parent	13.8	2.6	4.4	7.0	- 6.8	- 49.2%

EPS (¥)	155.1	29.7	49.1	78.8	-	-
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Depreciation	17.0	9.1	9.7	18.8	+ 1.8	+10.6%
CAPEX	36.4	11.8	14.7	26.5	- 9.9	- 27.3%

Exchange rate (¥/US\$)	109	107	108	107
Naphtha price in Japan (thousand¥/kl)	43	28	36	32

Analysis in Changes in Operating Profit



	FY 3/20	FY 3/21
Exchange rate (¥/US\$)	109	107
Naphtha price in Japan (thousand¥/kl)	43	32

Forecasts by Segment

(¥ bn.)

	Net sales		Operating profit		
	FY 3/20 result	FY 3/21 forecasts	FY 3/20 result	FY 3/21 forecasts	YOY
Films and Functional Materials	127.1	148.0	14.6	15.8	+ 1.2
Mobility	43.9	35.0	- 0.7	- 1.9	- 1.2
Lifestyle and Environmental	128.4	109.0	5.9	4.0	- 1.9
Life Science	25.5	25.0	3.8	3.5	- 0.3
Real Estate and Others	14.6	13.0	2.6	2.0	- 0.6
Elimination & Corporate	-	-	- 3.4	- 3.4	+ 0.0
Total	339.6	330.0	22.8	20.0	- 2.8

- The Group changed its reporting segment classification from the three months ended June 30, 2020. Accordingly, the figures for fiscal year ended March 31, 2020, have been restated in accordance with the method of classification existing after the aforesaid change.
- Figures for FY3/20 are unaudited.

Commitment to prioritizing safety

The Company moved forward with disaster prevention measures with the diagnosis and guidance from outside experts, determined to ensure that a fire accident never happens again after the fire at Tsuruga Research and Production Center in the year before last. However, this time a large accident occurred that took the lives of our treasured employees.

With “safety” and “disaster prevention” as the top priorities, the TOYOBO Group will thoroughly investigate what was lacking, insufficient, etc., for present security and disaster prevention activities, and this time ensure that it will be a safe company where this kind of accident will not occur again.

We will make company-wide efforts on through safety management and prevention of recurrence to recover the trust lost because of this fire accident. The Group appreciates your guidance and encouragement.

Seiji Narahara, President & Representative Director

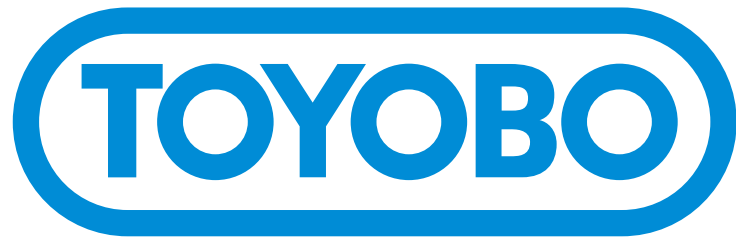
Please Note



The business performance forecasts and targets included in the business plans contained in this presentation are based on information known to the Company's management as of the day of presentation. Please be aware that the content of the future forecasts may differ significantly from actual results, due to a number of unforeseeable factors.

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Appendix

Identifying Materiality

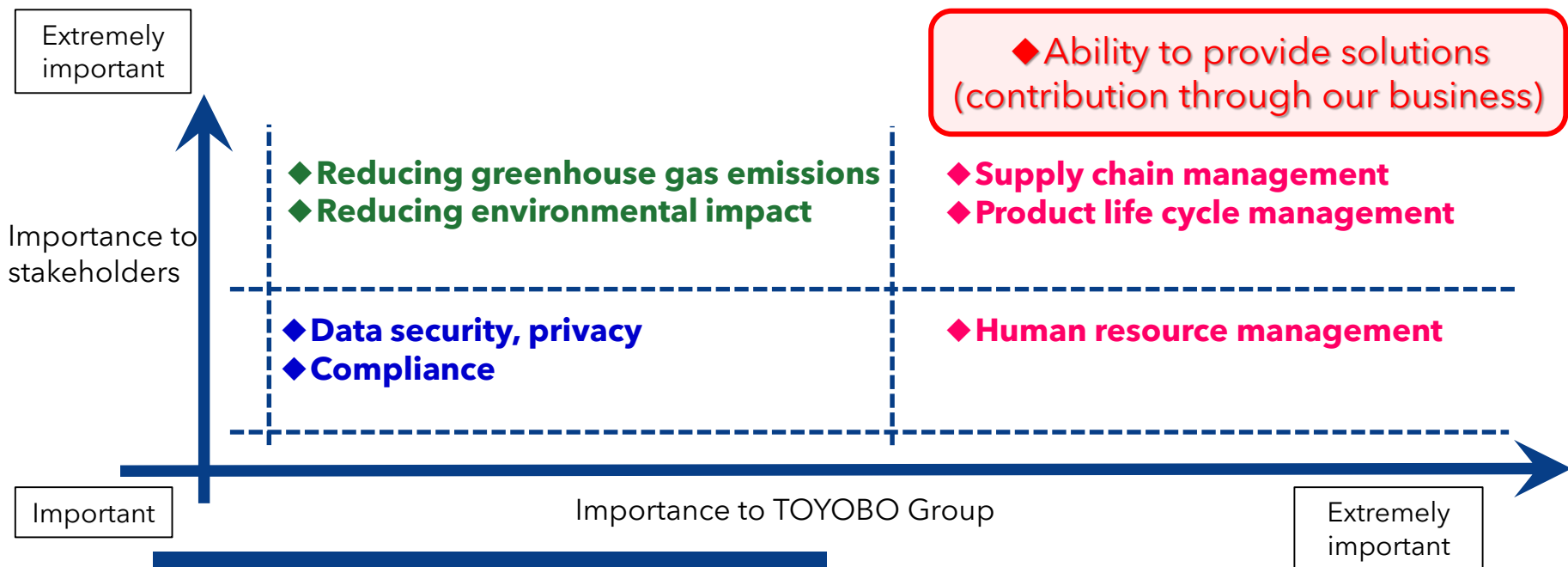
Basic preconditions to materiality

Corporate governance

Respect for human rights

Safety, disaster prevention, quality

**Continuing to be a Group that
“creates the solutions needed by people and the earth”**
**Innovation based on responsibility for the future:
Realizing clean technology, high QOL, and future mobility**

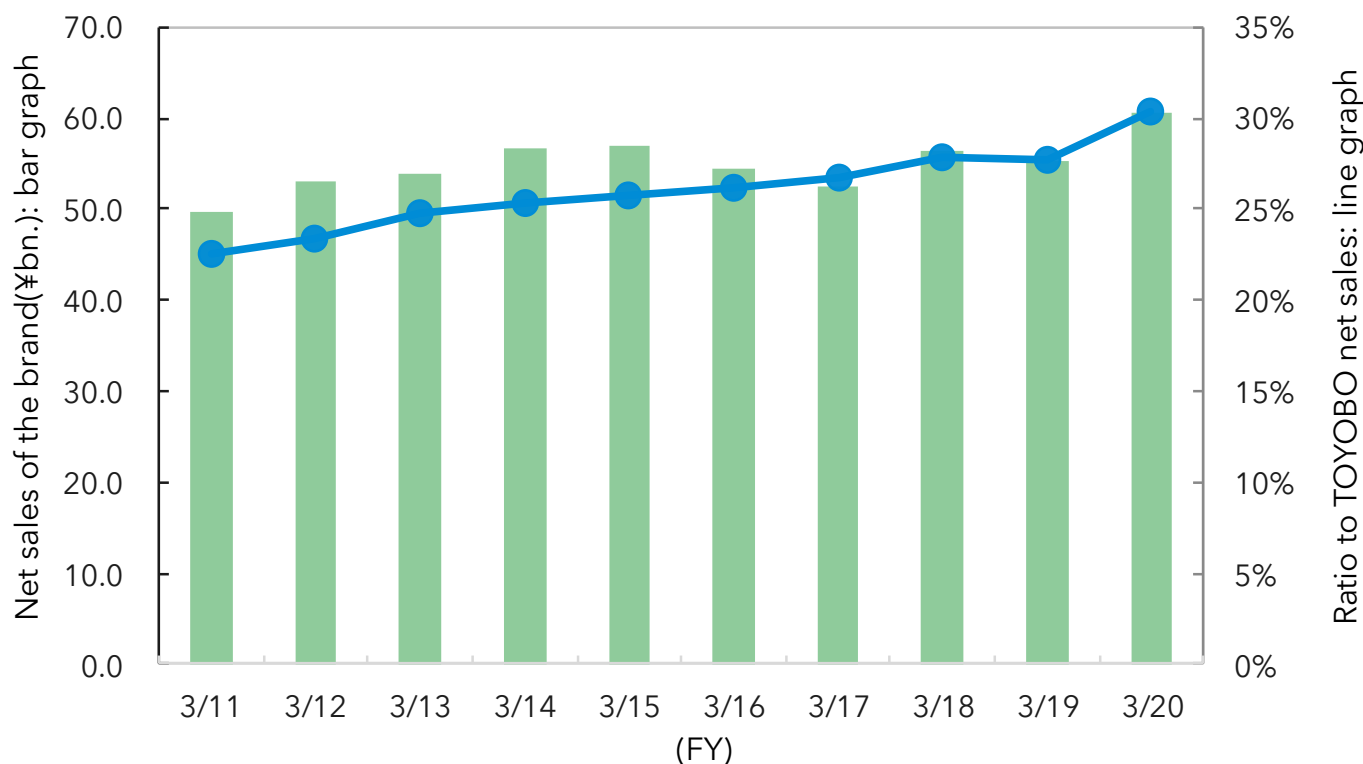


Communication with stakeholders

Environmentally conscious products: "ECO-PARTNER SYSTEM"



- In FY 3/20, sales of ¥60.6 bn. and net sales ratio of 30.4%.
- Divide the process into six stages and evaluate the environmental impact of each stage from raw materials to disposal.
- Five evaluation standards of "prevention of global warming", etc.
- Achieved the target net sales ratio of 30% in FY 3/20. Going forward, set new targets.



Environmentally conscious products:



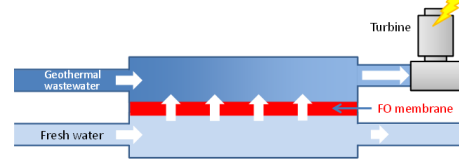
“ECO-PARTNER SYSTEM”

Net sales of ¥60.6 bn. FY 3/20

Figures are net sales. Contains overlap since multiple standards are applicable for one product.

Ex: “ECOSYAR” is applicable for both conservation of materials and reduction in harmful chemical substances.

Forward osmosis (FO) membrane
(osmotic power plant)



“ECOSYAR” (Reduction of food loss)

¥ 22.8 bn.

Conservation of materials

Prevention of global warming

¥ 26.0 bn.



VOC emissions treatment equipment

¥ 32.7 bn.

Reduction in harmful chemical substances

Five standards



“CYCLE CLEAN” (use recycled resin)

Reduction in waste

¥ 25.8 bn.

Other environmental contribution

¥ 26.4 bn.



Reverse osmosis membranes for seawater desalination “HOLLOSEP”

Business performance



(¥ bn.)

Net sales	FY 3/20					FY 3/21		
	Q1	Q2	H1	H2	full year	Q1	Q2	H1
Films and Functional Materials	29.5	30.4	59.9	67.2	127.1	36.3	37.5	73.8
Mobility	11.7	10.5	22.2	21.7	43.9	6.8	8.2	15.0
Lifestyle and Environmental	30.7	33.1	63.8	64.6	128.4	22.9	27.3	50.2
Life Science	6.0	6.5	12.5	13.0	25.5	6.3	6.0	12.4
Real estate and Others	2.9	3.6	6.5	8.1	14.6	3.1	3.1	6.2
Elimination & Corporate	-	-	-	-	-	-	-	-
Total	80.8	84.1	164.9	174.7	339.6	75.5	82.1	157.5

Operating profit	FY 3/20					FY 3/21		
	Q1	Q2	H1	H2	full year	Q1	Q2	H1
Films and Functional Materials	3.3	4.0	7.3	7.3	14.6	3.9	4.8	8.7
Mobility	0.3	-0.7	-0.4	-0.3	-0.7	-0.7	-0.6	-1.3
Lifestyle and Environmental	0.9	1.5	2.4	3.5	5.9	0.3	1.4	1.8
Life Science	0.9	1.1	2.0	1.8	3.8	1.0	0.6	1.6
Real estate and Others	0.6	0.6	1.3	1.4	2.6	0.5	0.6	1.0
Elimination & Corporate	-0.8	-0.7	-1.5	-2.0	-3.4	-0.7	-0.7	-1.4
Total	5.2	5.9	11.1	11.7	22.8	4.4	6.1	10.4

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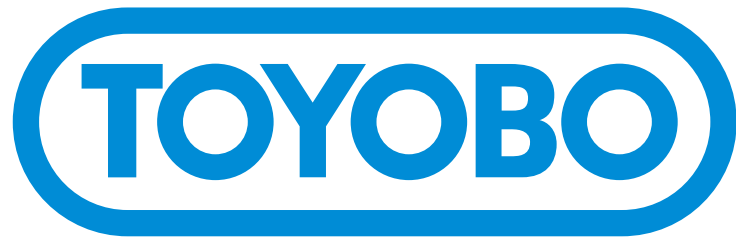
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