April 28, 2025

Company name: Toray Industries, Inc.
Name of Representative: Mitsuo Ohya, President
(Securities code: 3402)
Inquiries: Toshiki Matsumura, General Manager, Corporate PR Dept.
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Notice of Differences between Non-Consolidated Financial Results for the Fiscal Years ended March 31, 2025 and March 31, 2024 of a Subsidiary (Chori Co., Ltd.)

Toray Industries, Inc. (the "Company") hereby announces the following differences between non-consolidated financial results of Chori Co., Ltd., a subsidiary of the Company, for the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2024.

Non-consolidated financial results for the fiscal years ended March 31, 2025 and March 31, 2024

(Percentages indicate year-on-year changes.)

	Net Sales		Operating profit		Ordinary profit		Profit before income taxes		Net profit	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	158,239	1.2	7,205	(9.3)	11,003	16.8	11,070	18.2	8,503	37.5
March 31, 2024	156,365	(4.4)	7,942	4.3	9,421	(6.3)	9,365	(9.9)	6,184	(18.1)

The impact of this difference is immaterial on the Company's forecast of consolidated financial results.

Please see the attached documents from Chori Co., Ltd. for details.

Translation－Original text in Japanese

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

April 28, 2025

Company name: CHORI CO., LTD. Listing: Tokyo Stock Exchange (Prime)
Securities code: 8014 URL: https://www.chori.co.jp/english/
Representative: Tatsuyuki Sakoda, President, CEO & COO
Inquiries: Kazuyoshi Matsuura, Manager of Corporate Management Dept.
Telephone: +81-3-5781-6201
Scheduled date of annual general meeting of shareholders: June 20, 2025
Scheduled date to commence dividend payments: June 5, 2025
Scheduled date to file annual securities report: June 13, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit before income taxes		Net profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar. 31, 2025	311,546	1.3	14,492	(3.6)	16,198	11.9	16,316	11.0	11,658	21.1
Mar. 31, 2024	307,699	(6.6)	15,039	18.8	14,476	16.4	14,698	14.9	9,624	18.5

Note: Comprehensive income
For the fiscal year ended Mar.31, 2025: 13,009 million yen [2.7%]
For the fiscal year ended Mar.31, 2024: 12,663 million yen [34.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	yen	yen	%	%	%
Mar. 31, 2025	473.06	―	13.4	11.2	4.7
Mar. 31, 2024	390.87	―	12.5	10.1	4.9

Reference: Share of profit of entities accounted for using equity method
For the fiscal year ended Mar.31, 2025: 279 million yen
For the fiscal year ended Mar.31, 2024: (208) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
Mar. 31, 2025	146,076	92,101	63.0	3,733.26
Mar. 31, 2024	143,350	82,097	57.2	3,330.03

Reference: Equity
As of Mar. 31, 2025: 92,009 million yen
As of Mar. 31, 2024: 82,056 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Mar. 31, 2025	7,141	(1,027)	(4,775)	23,203
Mar. 31, 2024	9,693	(2,706)	(5,381)	21,088

2. Dividends

	Annual dividends per share					Total cash dividends	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended	yen	yen	yen	yen	yen	Millions of yen	%	%
Mar. 31, 2024	—	58.00	—	60.00	118.00	2,922	30.2	3.8
Mar. 31, 2025	—	61.00	—	81.00	142.00	3,518	30.0	4.0
Fiscal year ending Mar. 31, 2026 (Forecast)	—	72.00	—	72.00	144.00		32.3	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit before income taxes		Net profit attributable to owners of parent		Basic earnings Per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	330,000	5.9	15,000	3.5	16,000	(1.2)	16,000	(1.9)	11,000	(5.6)	446.32

*** Notes**

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

Newly included: —

Excluded: —

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

1. Changes in accounting policies due to the revision of accounting standards, etc.: Yes
2. Changes in accounting policies due to other reasons: None
3. Changes in accounting estimates: None
4. Restatements: None

Note: Please refer to “3. Consolidated Financial Statements and Main Notes (5) Notes to Consolidated Financial Statements (Changes in accounting policies)” on page 14 of the Appendix for details.

(3) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)	As of Mar. 31, 2025	25,303,478 shares	As of Mar. 31, 2024	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Mar. 31, 2025	657,540 shares	As of Mar. 31, 2024	662,180 shares
3. Average number of shares outstanding during the period	Fiscal year ended Mar. 31, 2025	24,644,580 shares	Fiscal year ended Mar. 31, 2024	24,622,777 shares

Note: The Company has introduced the Board Benefit Trust - Restricted Stock (BBT-RS), and the number of shares of the Company held by the trust are included in that of treasury shares to be deducted in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

Reference: Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025
(from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit before income taxes		Net profit	
Fiscal year ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Mar. 31, 2025	158,239	1.2	7,205	(9.3)	11,003	16.8	11,070	18.2	8,503	37.5
Mar. 31, 2024	156,365	(4.4)	7,942	4.3	9,421	(6.3)	9,365	(9.9)	6,184	(18.1)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	yen	yen
Mar. 31, 2025	345.04	—
Mar. 31, 2024	251.16	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
Mar. 31, 2025	97,577	66,875	68.5	2,713.45
Mar. 31, 2024	95,351	62,011	65.0	2,516.55

Reference: Equity
As of Mar. 31, 2025: 66,875 million yen
As of Mar. 31, 2024: 62,011 million yen

<Reasons for differences in the non-consolidated financial results from the previous fiscal year>

Net sales totaled 158,239 million yen, an increase of 1.2% from the previous fiscal year. In terms on profit, net profit for the current fiscal year increased by 37.5% from the previous fiscal year to 8,503 million yen, primarily due to the recording of a reversal of allowance for doubtful accounts related to loans to consolidated subsidiaries as non-operating income, and gains on the sale of investment securities recognized as extraordinary income.

* Financial results reports are exempt from audit conducted by certified public accountants or audit firms.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational. In addition, actual financial results may vary significantly due to various reasons. The Company, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements.

Please refer to “1. Overview of Operating Results (4) Future outlook” on page 4 of the Appendix for the prerequisites for the forward-looking statements and precautions on their use.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Current Consolidated Fiscal Year

In the fiscal year ended March 31, 2025 (the "current consolidated fiscal year"), the Japanese economy was on a moderate recovery trend, supported by improvements in the employment and income environment, which led to a rebound in personal consumption, as well as a rise in inbound consumption driven by the recovery in the number of foreign visitors to Japan.
However, despite the U.S. economy remaining firm thanks to a solid labor market and a recovery in consumer spending, the global economy continued to face uncertainty. This was mainly due to the lingering geopolitical risks such as Russia-Ukraine situation and that in the Middle East, as well as an economic slowdown in China, notably in the real estate market.

Under these circumstances, CHORI CO., LTD. (the "Company") and its subsidiaries (the "Chori Group" or the "Group") are steadily implementing the basic strategy of the medium-term management plan Chori Innovation Plan 2025 announced on April 28, 2023, and are working to achieve sustainable growth on a global basis and transform the Group's business through digital transformation.

As a result, consolidated financial results of the current consolidated fiscal year improved year-on-year, and ordinary profit, profit before income taxes, and net profit attributable to owners of parent reached record highs a fourth consecutive fiscal year in a row. Although net sales increased by 1.3% year-on-year to 311,546 million yen, operating profit decreased by 3.6% year-on-year to 14,492 million yen, ordinary profit increased by 11.9% year-on-year to 16,198 million yen, profit before income taxes increased by 11.0% year-on-year to 16,316 million yen, and net profit attributable to owners of parent increased by 21.1% year-on-year to 11,658 million yen mainly due to increased profitability.

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Increase (decrease)	Year-on-year (%)
Net sales	307,699	311,546	3,846	1.3
Operating profit	15,039	14,492	(547)	(3.6)
Ordinary profit	14,476	16,198	1,722	11.9
Profit before income taxes	14,698	16,316	1,618	11.0
Net profit attributable to owners of parent	9,624	11,658	2,034	21.1

The results of each business segment are as follows.

(i) Fibers, Textiles, and Garments

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Increase (decrease)	Year-on-year (%)
Net sales	145,892	152,738	6,845	4.7
Profit before income taxes	8,030	7,690	(340)	(4.2)

In this segment, net sales increased by 4.7% year-on-year to 152,738 million yen, primarily due to the solid sales of fiber raw materials, textile-fabrics (exports), and women's clothing-related items. Segment profit (profit before income taxes) decreased by 4.2% year to 7,690 million yen, mainly due to the saturation of demand for some occasion clothing items after the COVID-19 pandemic.

(ii) Chemicals

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Increase (decrease)	Year-on-year (%)
Net sales	160,007	157,864	(2,142)	(1.3)
Profit before income taxes	7,647	8,873	1,225	16.0

In this segment, net sales decreased by 1.3% year-on-year to 157,864 million yen, mainly due to declining overall demand and sluggish market conditions. Segment profit (profit before income taxes) increased by 16.0% year-on-year to 8,873 million yen, as the Company collected part of the receivables from a chemical manufacturing group in China and recorded a reversal of allowance for doubtful accounts.

(iii) Machinery

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Increase (decrease)	Year-on-year (%)
Net sales	1,724	860	(863)	(50.1)
Profit (loss) before income taxes	(616)	612	1,229	—

In this segment, net sales decreased by 50.1% year-on-year to 860 million yen, mainly due to the selection and concentration of businesses. Meanwhile, a segment profit (profit before income taxes) of 612 million yen (compared to a segment loss of 616 million yen [loss before income taxes] in the corresponding period of the previous year) was posted in reaction to the recording of foreign exchange losses caused by the impact of currency fluctuations in the corresponding period of the previous year.

(2) Overview of Financial Position for the Current Consolidated Fiscal Year

Status of assets, liabilities, and net assets

(Assets)

Total assets at the end of the current consolidated fiscal year were 146,076 million yen, an increase of 2,725 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases of 4,851 million yen in cash and deposits, 1,955 million yen in software in progress and 1,824 million yen in notes and accounts receivable – trade, and decreases of 2,497 million yen in deposits paid to subsidiaries and associates, 2,325 million yen in investment securities and 964 million yen in distressed receivables.

(Liabilities)

Liabilities at the end of the current consolidated fiscal year were 53,974 million yen, a decrease of 7,278 million yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 4,940 million yen in notes and accounts payable-trade, 1,239 million yen in short-term borrowings and 669 million yen in income tax payable.

(Net assets)

Net assets at the end of the current consolidated fiscal year were 92,101 million yen, an increase of 10,004 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases of 11,658 million yen resulting from the recording of net profit attributable to owners of parent and 2,145 million yen in foreign currency translation adjustment, offsetting decreases of 2,998 million yen due to the payment of dividends and 894 million yen in valuation difference on available-for-sale securities.

(3) Overview of Cash Flows for the Current Consolidated Fiscal Year

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the current consolidated fiscal year increased by 2,114 million yen from the end of the previous consolidated fiscal year to 23,203 million yen at the end of the current consolidated fiscal year.

The status of cash flows in the current consolidated fiscal year and the contributing factors are as follows.

(a) Cash flows from operating activities

Funds provided by operating activities were 7,141 million yen (an inflow of 9,693 million yen in the previous consolidated fiscal year). The main components of income were profit before income taxes of 16,316 million yen, and a decrease in inventories of 1,394 million yen. The main components of expenses were a decrease in trade payables of 5,393 million yen, and income tax paid of 5,370 million yen.

(b) Cash flows from investing activities

Funds used in investing activities were 1,027 million yen (an outflow of 2,706 million yen in the previous consolidated fiscal year). The main component of expenses was purchase of intangible assets of 2,120 million yen, purchase of property, plant and equipment of 744 million yen, and the main component of income was proceeds from sale of investment securities of 2,390 million yen.

(c) Cash flows from financing activities

Funds used in financing activities decreased 4,775 million yen (an outflow of 5,381 million yen in the previous consolidated fiscal year). The main components of expenses were dividends paid of 2,996 million yen, and a net decrease in short-term borrowings of 1,364 million yen.

(4) Future Outlook

Japan sees personal consumption improve due to the positive employment and income environment, supported by strong corporate earnings. However, the economic impact of U.S. tariff policies, the prolonged geopolitical risks, including the situation in Russia and Ukraine, tensions in the Middle East, and concerns over the extended economic slowdown in China warrant careful attention to future developments.

Under such circumstances, the Group will steadily implement the three basic strategies of Chori Innovation Plan 2025, the medium-term management plan disclosed on April 28, 2023, namely, "Promote consolidated management centered on our global business," "Develop sustainable businesses that adapt quickly to the changing business environment," and "Promote ESG management." For the fiscal year ending March 31, 2026, the final year of the medium-term management plan, we forecast net sales of 330,000 million yen (increase of 5.9% year-on-year), operating profit of 15,000 million yen (increase of 3.5% year-on-year), ordinary profit of 16,000 million yen (decrease of 1.2% year-on-year), profit before income taxes of 16,000 million yen (decrease of 1.9% year-on-year), and net profit attributable to owners of parent of 11,000 million yen (decrease of 5.6% year-on-year).

(Unit: Millions of yen)

	Fiscal year ending Mar. 31, 2026 (Forecast)	Fiscal year ended Mar. 31, 2025 (Results)	Increase (decrease) (%)
Net sales	330,000	311,546	5.9
Operating profit	15,000	14,492	3.5
Ordinary profit	16,000	16,198	(1.2)
Profit before income taxes	16,000	16,316	(1.9)
Net profit attributable to owners of parent	11,000	11,658	(5.6)

Any revisions to the above forecast will be promptly announced.

(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

The Company believes that returning profits to shareholders is an important management priority. Accordingly, the Company has adopted a basic policy of distributing dividends twice a year, specifically an interim and a year-end dividend. From the standpoint of continuous and stable return of profits and ensuring stable management and financial affairs, the Company implements performance-based dividends according to the level of net profit attributable to owners of parent.

In accordance with the provisions of Article 459, Paragraph 1 of the Companies Act, the Company's dividends are determined by a resolution of the board of directors, instead of by a resolution of the general meeting of shareholders, except as otherwise provided by laws and regulations. In addition, the amount of dividends is set at a level consistent with a consolidated dividend payout ratio of at least 30% (annually) based on net profit attributable to owners of parent, and a dividend on equity (DOE) ratio of 3.5% or more. In determining the amount of dividends, the Company considers a comprehensive range of factors including the management environment, while remaining mindful of the importance of securing the investment funds needed to develop business.

Under this policy, the Company considered the consolidated results for this fiscal year ended March 31, 2025, and decided to pay a year-end dividend for the current fiscal year of 81 yen per share, an increase of 20 yen from the previous forecast of 61 yen per share, as announced today, April 28, 2025. Hence, combined with the interim dividend of 61 yen per share, the annual dividend for the current fiscal year will be 142 yen per share.

With regard to dividends for the next fiscal year, keeping increasing dividends from the perspective of prioritizing the return of profits to shareholders, we have set an annual dividend of 144 yen per share comprising an interim dividend of 72 yen per share and a year-end dividend of 72 yen per share, which is an increase of 2 yen per share from the annual dividend for the current fiscal year. (For details, please refer to the “Notice Regarding Dividend of Surplus (Dividend Increase)” announced today, April 28, 2025.)

2. Basic Approach to the Selection of Accounting Standards

Considering the comparability of consolidated financial statements over time and between companies, the Group intends to prepare consolidated financial statements under accounting principles generally accepted in Japan (Japanese GAAP) for the time being.

In the future, we will continue to consider the adoption of international financial reporting standards taking into account changes in the ratio of foreign shareholders and trends in adoption by peer companies in Japan.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of Mar. 31, 2024	As of Mar. 31, 2025
Assets		
Current assets		
Cash and deposits	17,960	22,812
Deposits paid to subsidiaries and associates	3,500	1,002
Notes and accounts receivable - trade	70,337	72,161
Merchandise and finished goods	18,689	17,350
Work in process	837	1,133
Raw materials and supplies	31	47
Goods in transit	1,805	1,759
Other	5,527	5,489
Allowance for doubtful accounts	(265)	(191)
Total current assets	118,423	121,566
Non-current assets		
Property, plant and equipment		
Buildings and structures	903	1,097
Accumulated depreciation	(593)	(538)
Buildings and structures, net	309	559
Machinery, equipment and vehicles	2,520	2,197
Accumulated depreciation	(1,798)	(1,931)
Machinery, equipment and vehicles, net	721	266
Tools, furniture and fixtures	826	880
Accumulated depreciation	(658)	(525)
Tools, furniture and fixtures, net	167	355
Construction in progress	1	95
Land	258	258
Leased assets	829	906
Accumulated depreciation	(440)	(649)
Leased assets, net	389	256
Total property, plant and equipment	1,847	1,791
Intangible assets		
Goodwill	444	243
Customer-related assets	793	692
Software in progress	2,922	4,878
Other	378	381
Total intangible assets	4,538	6,197
Investments and other assets		
Investment securities	12,707	10,382
Long-term loans receivable	1,586	1,539
Distressed receivables	8,473	7,509
Retirement benefit asset	67	—
Deferred tax assets	474	753
Other	3,728	3,880
Allowance for doubtful accounts	(8,498)	(7,544)
Total investments and other assets	18,540	16,521
Total non-current assets	24,926	24,509
Total assets	143,350	146,076

(Unit: Millions of yen)

	As of Mar. 31, 2024	As of Mar. 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	45,538	40,597
Short-term borrowings	2,623	1,384
Current portion of long-term borrowings	113	19
Income taxes payable	2,706	2,036
Provision for bonuses	1,097	1,281
Provision for loss on liquidation of subsidiaries and associates	42	42
Other	5,506	5,195
Total current liabilities	57,627	50,556
Non-current liabilities		
Long-term borrowings	19	－
Deferred tax liabilities	1,128	1,042
Provision for share awards	51	109
Retirement benefit liability	2,164	2,108
Other	262	158
Total non-current liabilities	3,625	3,418
Total liabilities	61,253	53,974
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	2,152	2,152
Retained earnings	67,429	76,071
Treasury shares	(935)	(921)
Total shareholders' equity	75,446	84,101
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,006	2,112
Deferred gains or losses on hedges	(5)	3
Foreign currency translation adjustment	3,578	5,724
Remeasurements of defined benefit plans	29	67
Total accumulated other comprehensive income	6,609	7,907
Non-controlling interests	41	92
Total net assets	82,097	92,101
Total liabilities and net assets	143,350	146,076

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Net sales	307,699	311,546
Cost of sales	268,966	271,030
Gross profit	38,732	40,515
Selling, general and administrative expenses	23,692	26,022
Operating profit	15,039	14,492
Non-operating income		
Interest income	781	783
Dividend income	277	291
Share of profit of entities accounted for using equity method	—	279
Foreign exchange gains	—	129
Subsidy income	190	106
Reversal of allowance for doubtful accounts	79	873
Gain on adjustment of accounts payable	39	26
Miscellaneous income	118	82
Total non-operating income	1,486	2,574
Non-operating expenses		
Interest expenses	592	127
Loss on sale of notes receivable - trade	812	709
Share of loss of entities accounted for using equity method	208	—
Foreign exchange losses	418	—
Miscellaneous expenses	19	32
Total non-operating expenses	2,050	868
Ordinary profit	14,476	16,198
Extraordinary income		
Gain on sale of investment securities	175	783
Gain on sale of non-current assets	2	7
Gain on sale of shares of subsidiaries and associates	83	—
Gain on liquidation of subsidiaries and associates	1	—
Other	0	—
Total extraordinary income	263	791
Extraordinary losses		
Impairment losses	—	364
Loss on valuation of investment securities	4	277
Loss on disposal of non-current assets	27	31
Loss on valuation of telephone subscription right	4	—
Loss on valuation of golf club membership	2	—
Other	1	—
Total extraordinary losses	41	673
Profit before income taxes	14,698	16,316
Income taxes - current	5,088	4,686
Income taxes - deferred	(56)	(76)
Total income taxes	5,032	4,610
Net profit	9,665	11,706
Net profit attributable to non-controlling interests	41	48
Net profit attributable to owners of parent	9,624	11,658

Consolidated Statement of Comprehensive Income

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Net profit	9,665	11,706
Other comprehensive income		
Valuation difference on available-for-sale securities	1,614	(894)
Deferred gains or losses on hedges	133	8
Foreign currency translation adjustment	1,005	1,777
Remeasurements of defined benefit plans, net of tax	96	37
Share of other comprehensive income of entities accounted for using equity method	148	372
Total other comprehensive income	2,997	1,302
Comprehensive income	12,663	13,009
Comprehensive income attributable to:		
Owners of parent	12,624	12,956
Non-controlling interests	38	52

(3) Statement of Changes in Consolidated Shareholders' Equity

For the year ended March 31, 2024 (from April 1, 2023, to March 31, 2024)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period (on Apr. 1, 2023)	6,800	1,804	60,634	(689)	68,549
Changes of items during the period					
Cash dividends			(2,788)		(2,788)
Net profit attributable to owners of parent			9,624		9,624
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		69		34	104
Transfer of treasury shares to stock ownership plan trust		278		138	417
Purchase of treasury shares by stock ownership plan trust				(417)	(417)
Other			(40)		(40)
Net changes in items other than shareholders' equity					
Total changes during period	－	348	6,794	(246)	6,897
Balance at end of period (on Mar. 31, 2024)	6,800	2,152	67,429	(935)	75,446

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period (on Apr. 1, 2023)	1,392	(138)	2,421	(66)	3,609	－	72,158
Changes of items during the period							
Cash dividends							(2,788)
Net profit attributable to owners of parent							9,624
Purchase of treasury shares							(1)
Disposal of treasury shares							104
Transfer of treasury shares to stock ownership plan trust							417
Purchase of treasury shares by stock ownership plan trust							(417)
Other							(40)
Net changes in items other than shareholders' equity	1,614	133	1,156	96	3,000	41	3,041
Total changes during period	1,614	133	1,156	96	3,000	41	9,938
Balance at end of period (on Mar. 31, 2024)	3,006	(5)	3,578	29	6,609	41	82,097

For the year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period (on Apr. 1, 2024)	6,800	2,152	67,429	(935)	75,446
Changes of items during the period					
Cash dividends			(2,998)		(2,998)
Net profit attributable to owners of parent			11,658		11,658
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				14	14
Transfer of treasury shares to stock ownership plan trust					—
Purchase of treasury shares by stock ownership plan trust					—
Other			(18)		(18)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	8,641	13	8,655
Balance at end of period (on Mar. 31, 2025)	6,800	2,152	76,071	(921)	84,101

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period (on Apr. 1, 2024)	3,006	(5)	3,578	29	6,609	41	82,097
Changes of items during the period							
Cash dividends							(2,998)
Net profit attributable to owners of parent							11,658
Purchase of treasury shares							(0)
Disposal of treasury shares							14
Transfer of treasury shares to stock ownership plan trust							—
Purchase of treasury shares by stock ownership plan trust							—
Other							(18)
Net changes in items other than shareholders' equity	(894)	8	2,145	37	1,298	50	1,349
Total changes during period	(894)	8	2,145	37	1,298	50	10,004
Balance at end of period (on Mar. 31, 2025)	2,112	3	5,724	67	7,907	92	92,101

(4) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Cash flows from operating activities		
Profit before income taxes	14,698	16,316
Depreciation	892	901
Impairment losses	—	364
Amortization of goodwill	197	195
Increase (decrease) in retirement benefit liability	(5)	(10)
Increase (decrease) in allowance for doubtful accounts	(1,401)	(951)
Interest and dividend income	(1,058)	(1,074)
Interest expenses	592	127
Foreign exchange losses (gains)	(187)	28
Share of loss (profit) of entities accounted for using equity method	208	(279)
Loss (gain) on sale of non-current assets	25	23
Loss on valuation of golf club membership	2	—
Loss (gain) on sale of investment securities	(175)	(783)
Loss (gain) on valuation of investment securities	4	277
Loss (gain) on sale of shares of subsidiaries and associates	(83)	—
Gain (loss) on liquidation of subsidiaries and associates	(1)	—
Decrease (increase) in trade receivables	6,407	(752)
Decrease (increase) in inventories	884	1,394
Increase (decrease) in trade payables	(7,853)	(5,393)
Decrease (increase) in consumption taxes refund receivable	(121)	348
Decrease (increase) in other assets	1,828	919
Increase (decrease) in other liabilities	(782)	(296)
Others	(53)	177
Subtotal	14,015	11,531
Interest and dividends received	1,054	1,111
Interest paid	(587)	(130)
Income taxes refund (paid)	(4,789)	(5,370)
Net cash provided by (used in) operating activities	9,693	7,141
Cash flows from investing activities		
Purchase of property, plant and equipment	(247)	(744)
Proceeds from sale of property, plant and equipment	6	15
Purchase of intangible assets	(2,098)	(2,120)
Purchase of investment securities	(85)	(354)
Proceeds from sale of investment securities	278	2,390
Purchase of shares of subsidiaries and associates	—	(20)
Proceeds from sale of investments in capital	0	—
Loan advances	(3)	(2)
Proceeds from collection of loans receivable	16	31
Other, net	(572)	(221)
Net cash provided by (used in) investing activities	(2,706)	(1,027)

(Unit: Millions of yen)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,316)	(1,364)
Repayments of long-term borrowings	(113)	(113)
Dividends paid	(2,787)	(2,996)
Purchase of treasury shares	(419)	(0)
Proceeds from sale of treasury shares	521	—
Other, net	(267)	(299)
Net cash provided by (used in) financing activities	(5,381)	(4,775)
Effect of exchange rate change on cash and cash equivalents	623	775
Net increase (decrease) in cash and cash equivalents	2,228	2,114
Cash and cash equivalents at beginning of period	18,860	21,088
Cash and cash equivalents at end of period	21,088	23,203

(5) Notes to Consolidated Financial Statements

(Note regarding assumptions of a going concern)

Not applicable.

(Changes in accounting policies)

(Adoption of the "Accounting Standard for Current Income Taxes," etc.).

On April 1, 2024, the Group adopted the "Accounting Standard for Current Income Taxes" (ASBJ Statement No.27, revised on October 28, 2022) (hereinafter referred to as "ASBJ Statement No. 27 (revised 2022)"). Regarding the amendment related to the classification of current income taxes (taxation on other comprehensive income), the Group follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of ASBJ Statement No. 27 (revised 2022), as well as the transitional treatment prescribed in the proviso to Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, revised on October 28, 2022) (hereinafter referred to as "ASBJ Guidance No. 28 (revised 2022)"). These changes in accounting policies have no impact on the Group's consolidated financial statements.

Also, on April 1, 2024, the Group adopted ASBJ Guidance No. 28 (revised 2022), regarding the amendment related to the review of the treatment in the consolidated financial statements when deferring for tax purposes the gain or loss on the sale of subsidiary shares and others among the Group companies. This change in accounting policy has been applied retrospectively and has no impact on the Group's consolidated financial statements for the fiscal year ended March 31, 2024.

(Additional information)

(Performance-linked stock compensation plan for Directors, etc.)

Based on the resolution of the 76th Annual General Meeting of Shareholders held on June 16, 2023, the Company has introduced a performance-linked stock compensation plan, i.e. the Board Benefit Trust - Restricted Stock (BBT-RS), with the aim of clarifying the linkage between the compensation for directors (excluding directors who are Audit & Supervisory Committee members and non-executive Directors) and executive officers (together with directors, collectively, the "Directors, etc.") and the Company's business performance and share value, and enhancing their motivation to contribute to the improvement of the Company's business performance in the medium to long term and the enhancement of its corporate value.

The Company accounts for this plan in accordance with the Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts (PITF No. 30, March 26, 2015).

(i) Summary of the transaction

This is a performance-linked stock compensation plan under which the Company's shares are acquired through a trust using money contributed by the Company, and the Directors, etc. are provided with the Company's shares and an amount of money equivalent to the market value of the Company's shares through the trust, pursuant to the Share Benefit Regulations for Directors and Officers established by the Company.

In principle, the time when the Directors, etc. receive the Company's shares shall be a certain time after the end of each applicable period.

(ii) The Company's shares remaining in the trust

The Company's shares remaining in the trust is recorded as treasury shares under net assets at their book value in the trust (excluding ancillary costs). There were 140 thousand such treasury shares carried at 417 million yen at the end of the previous consolidated fiscal year, and there were 135 thousand such treasury shares carried at 403 million yen at the end of the current consolidated fiscal year.

(Segment information, etc.)

[Segment information]

1 Summary of reportable segments

(1) Method of determination of reportable segments

Reportable segments are components of the Company whose operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company arranges divisions according to type of business. Each division formulates a comprehensive strategy for domestic and overseas business by type of business, and operates its business.

Accordingly, the Company is composed of segments based on divisions, and each of its associates is composed of segments by type of business based on the products handled. There are three reportable segments, namely, “Fibers, Textiles, and Garments,” “Chemicals,” and “Machinery.”

(2) Types of products and services belonging to each reportable segment

Fibers, Textiles, and Garments: Raw materials for various synthetic fibers and natural fibers, various textiles, knitting, nonwoven fabrics and related products, various clothing products, as well as industrial fiber materials and related products

Chemicals: Various chemicals such as urethane raw materials, raw materials for resins, additives for resins, raw materials for cosmetics, raw materials for glass, raw materials for electronic components, battery-related materials, pharmaceutical and agrochemical intermediates, surface treatment agents, food ingredients and additives, and feed and feed additives

Machinery: Transportation equipment such as automobiles, motorcycles, and trucks, as well as related materials

2. Method of calculating net sales, profit or loss, assets, liabilities, and others by reportable segment

The method of accounting for reportable business segments is roughly the same as “Important Matters Fundamental for the Preparation of Consolidated Financial Statements” in the annual securities report.

Profit of the reportable segments is based on profit before income taxes.

Internal sales and transfers between segments are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, liabilities, and other items by reportable segment

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Notes 2 and 4)	Consolidated total (Note 3)
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal				
Net sales								
Sales to external customers	145,892	160,007	1,724	307,625	74	307,699	—	307,699
Internal sales or transfers between segments	—	—	—	—	467	467	(467)	—
Total	145,892	160,007	1,724	307,625	541	308,166	(467)	307,699
Segment profit (loss)	8,030	7,647	(616)	15,061	48	15,109	(411)	14,698
Segment assets	73,206	66,441	2,988	142,636	192	142,829	521	143,350
Other items								
Depreciation	601	234	4	839	1	841	—	841
Amortization of goodwill	197	—	—	197	—	197	—	197
Share of loss of entities accounted for using equity method	(101)	(106)	—	(208)	—	(208)	—	(208)
Extraordinary income (Gain on sale of investment securities)	237 [152]	23 [23]	— [—]	261 [175]	— [—]	261 [175]	1 [—]	263 [175]
Extraordinary losses (Loss on disposal of non-current assets)	30 [23]	5 [0]	— [—]	35 [23]	— [—]	35 [23]	5 [3]	41 [27]
Investment in equity-method associates	232	3,755	—	3,988	—	3,988	—	3,988
Increase in property, plant and equipment and intangible fixed assets	1,322	1,065	0	2,387	—	2,387	—	2,387

Notes: 1. The “Others” category is a business segment that is not attributable to reportable segments and includes the provision of various services such as commissioned back-office operations.

2. Adjustment to segment profit (loss) of negative (411) million yen represents company-wide profit (loss) that has not been allocated to reportable segments. Company-wide profit (loss) represents finance-related gains and losses that are not attributable to reportable segments.

3. The total of segment profit (loss) and adjustment for reportable segments and the Others business segments is consistent with profit before income taxes in the consolidated statements of income.

4. Of the segment assets, 521 million yen in company-wide assets included in adjustment represents the Company’s deferred tax assets.

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Notes 2 and 4)	Consolidated total (Note 3)
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal				
Net sales								
Sales to external customers	152,738	157,864	860	311,463	82	311,546	—	311,546
Internal sales or transfers between segments	—	—	—	—	474	474	(474)	—
Total	152,738	157,864	860	311,463	556	312,020	(474)	311,546
Segment profit	7,690	8,873	612	17,176	25	17,201	(885)	16,316
Segment assets	75,133	69,018	880	145,032	191	145,224	851	146,076
Other items								
Depreciation	621	232	3	858	1	859	—	859
Amortization of goodwill	195	—	—	195	—	195	—	195
Share of profit (loss) of entities accounted for using equity method	(42)	322	—	279	—	279	—	279
Extraordinary income (Gain on sale of investment securities)	530 [523]	0 [—]	— [—]	531 [523]	— [—]	531 [523]	260 [260]	791 [783]
Extraordinary losses (Impairment losses)	643 [364]	2 [—]	— [—]	645 [364]	— [—]	645 [364]	27 [—]	673 [364]
Investment in equity-method associates	201	4,434	—	4,635	—	4,635	—	4,635
Increase in property, plant and equipment and intangible fixed assets	1,549	1,292	—	2,841	—	2,841	—	2,841

Notes: 1. The “Others” category is a business segment that is not attributable to reportable segments and includes the provision of various services such as commissioned back-office operations.
2. Adjustment to segment profit of negative (885) million yen represents company-wide profit (loss) that has not been allocated to reportable segments. Company-wide profit (loss) represents finance-related gains and losses that are not attributable to reportable segments.
3. The total of segment profit and adjustment for reportable segments and the Others business segments is consistent with profit before income taxes in the consolidated statements of income.
4. Of the segment assets, 851 million yen in company-wide assets included in adjustment represents the Company’s deferred tax assets.

[Entity-wide disclosures]

Fiscal year ended March 31, 2024

1. Information about products and services

Statement is omitted as it is available in “Segment information.”

2. Regional information

(1) Net sales

(Unit: Millions of yen)

Japan	China	Others	Total
194,369	45,110	68,218	307,699

Note: Net sales are categorized by country based on the location of customers.

(2) Property, plant, and equipment

(Unit: Millions of yen)

Japan	China	Others	Total
1,250	303	293	1,847

3. Key customer-specific information

Not applicable, as there are no external counterparties that account for 10% or more of net sales in the consolidated statements of income.

Fiscal year ended March 31, 2025

1. Information about products and services

Statement is omitted as it is available in “Segment information.”

2. Regional information

(1) Net sales

(Unit: Millions of yen)

Japan	China	Others	Total
188,297	48,262	74,986	311,546

Note: Net sales are categorized by country based on the location of customers.

(2) Property, plant, and equipment

(Unit: Millions of yen)

Japan	China	Others	Total
1,262	255	273	1,791

3. Key customer-specific information

Not applicable, as there are no external counterparties that account for 10% or more of net sales in the consolidated statements of income.

[Information on losses on impairment of non-current assets by reportable segment]

Fiscal year ended March 31, 2024

Not applicable.

Fiscal year ended March 31, 2025

	Reportable segment				Others	Company-wide / elimination	Total
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal			
Impairment losses	364	—	—	364	—	—	364

[Information on amortization of goodwill and unamortized balance by reportable segment]

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	Reportable segment				Others	Company-wide / elimination	Total
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal			
Amortization in the current consolidated fiscal year	197	—	—	197	—	—	197
Balance at the end of the current consolidated fiscal year	444	—	—	444	—	—	444

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	Reportable segment				Others	Company-wide / elimination	Total
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal			
Amortization in the current consolidated fiscal year	195	—	—	195	—	—	195
Balance at the end of the current consolidated fiscal year	243	—	—	243	—	—	243

[Information on gains on bargain purchase by reportable segment]

Fiscal year ended March 31, 2024

Not applicable.

Fiscal year ended March 31, 2025

Not applicable.

(Per share information)

	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Net assets per share	3,330.03 yen	3,733.26 yen
Basic earnings per share	390.87 yen	473.06 yen

Notes: 1. Diluted earnings per share is not presented because there are no potential shares.

2. The Company has introduced the Board Benefit Trust - Restricted Stock (BBT-RS) effective from the current consolidated fiscal year, and the number of shares of the Company held by the trust are included in that of treasury shares to be deducted in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period to determine net assets per share and basic earnings per share.

   For the calculation of net assets per share, 140 thousand shares were deducted from the number of treasury shares at the end of the period in the previous consolidated fiscal year, and 135 thousand shares were deducted from the number of treasury shares at the end of the period in the current consolidated fiscal year.

   For the calculation of basic earnings per share, 86 thousand shares were deducted from the average number of treasury shares during the period in the previous consolidated fiscal year, and 136 thousand shares were deducted from the average number of treasury shares during the period in the current consolidated fiscal year.

3. Calculation basis of basic earnings per share is as follows.

Item	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025
Basic earnings per share		
Net profit attributable to owners of parent (Millions of yen)	9,624	11,658
Amount not attributable to common shareholders (Millions of yen)	—	—
Net profit attributable to owners of parent related to common shares (Millions of yen)	9,624	11,658
Average number of common shares during the period (Thousands of shares)	24,622	24,644

4. Calculation basis of net assets per share is as follows.

Item	As of Mar. 31, 2024	As of Mar. 31, 2025
Total amount of net assets on the consolidated balance sheet (Millions of yen)	82,097	92,101
Net assets related to common shares (Millions of yen)	82,056	92,009
Main components of the difference (Millions of yen) Non-controlling shareholder's interest	41	92
Number of common shares outstanding (Thousands of shares)	25,303	25,303
Number of treasury common shares (Thousands of shares)	662	657
Number of common shares used to calculate net assets per share (Thousands of shares)	24,641	24,645

(Material subsequent events)

Not applicable.