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May 14, 2025

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

Company name: Toray Industries, Inc.
Listing: Tokyo Stock Exchange
Securities code: 3402
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Scheduled date of ordinary general meeting of stockholders: June 26, 2025
Scheduled date to commence dividend payments: June 27, 2025
Scheduled date to file annual securities report: June 24, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for Securities Analysts/ Institutional Investors)

(Yen amounts are rounded to the nearest million.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated financial performance

(Percentages indicate year-on-year changes.)

	Revenue		Core operating income		Operating income		Profit before tax	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	2,563,280	4.0	142,762	39.1	127,453	121.1	114,288	91.9
March 31, 2024	2,464,596	(1.0)	102,618	6.9	57,651	(47.1)	59,567	(46.8)

	Profit		Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
Year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2025	86,673	184.6	77,911	255.8	48.93	48.84
March 31, 2024	30,455	(62.3)	21,897	(69.9)	13.67	13.65

	Return on equity	Return on assets	Core operating margin
Year ended	%	%	%
March 31, 2025	4.5	4.2	5.6
March 31, 2024	1.3	3.1	4.2

Notes:
1. Share of profit (loss) of investments accounted for using equity method for the year ended March 31, 2025 and 2024 were ¥(2,351) million and ¥8,850 million, respectively.
2. Comprehensive income for the year ended March 31, 2025 and 2024 were ¥50,605 million ((79.4)%) and ¥245,481 million (45.5%), respectively.
3. Core operating income is calculated by excluding income and expenses due to non-recurring factors from operating income.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Equity ratio	Book value per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	3,292,597	1,820,572	1,708,984	51.9	1,092.90
March 31, 2024	3,466,518	1,846,362	1,736,034	50.1	1,083.91

(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
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	255,033	(63,198)	(188,520)	237,295
March 31, 2024	185,680	(120,997)	(70,370)	235,887

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	9.00	—	9.00	18.00	28,844	131.7	1.8
Year ended March 31, 2025	—	9.00	—	9.00	18.00	28,508	36.8	1.7
Year ending March 31, 2026 (Forecast)	—	10.00	—	10.00	20.00		38.1	

3. Consolidated financial forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Core operating income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	1,280,000	(1.1)	65,000	(17.9)	35,000	(37.0)	22.38
Year ending March 31, 2026	2,670,000	4.2	150,000	5.1	82,000	5.2	52.44

*** Notes**

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

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

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

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

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of March 31, 2025	1,631,481,403 shares
As of March 31, 2024	1,631,481,403 shares

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

As of March 31, 2025	67,768,474 shares
As of March 31, 2024	29,838,701 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	1,592,166,362 shares
Fiscal year ended March 31, 2024	1,601,539,799 shares

[Reference] Overview of non-consolidated financial results

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	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	651,714	7.4	19,313	80.6	96,851	24.2	143,991	217.4
March 31, 2024	606,925	(1.9)	10,692	(35.7)	77,982	(5.4)	45,363	(36.2)

	Basic earnings per share	Diluted earnings per share
Year ended	Yen	Yen
March 31, 2025	90.39	90.22
March 31, 2024	28.31	28.26

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,568,354	821,963	52.3	524.08
March 31, 2024	1,594,541	807,815	50.5	502.85

Reference: Equity

As of March 31, 2025: ¥819,934 million

As of March 31, 2024: ¥805,796 million

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

* Proper use of earnings forecasts, and other special matters

Earnings forecasts given herein have been prepared based on assumptions such as economic environment outlook available as of the publication of this report and these forecasts are not guarantees of future performance. Actual results may differ significantly from forecasts due to various factors. For the assumptions underlying the forecasts herein, please refer to “1. Overview of Operating Results (2) Forecast for the Fiscal Year Ending March 31, 2026” of the accompanying materials.

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1. Overview of Operating Results

(1) Overview of the Fiscal Year Ended March 31, 2025 and Analysis of Financial Position and Cash Flows

Overview of the Fiscal Year Ended March 31, 2025

	Year ended March 31,2025	Year-on-year change
	Billions of yen	%
Revenue	2,563.3	4.0
Core operating income	142.8	39.1
Operating income	127.5	121.1
Profit attributable to owners of parent	77.9	255.8

During the period under review, the global economy continued to recover, despite stagnation in some parts of Europe, on the back of strong U.S. economy. The recovery in the Chinese economy remained at a standstill, though the effects of economic stimulus measures were also visible. The Japanese economy continued to recover gradually.

Under such circumstances, Toray Group starting from fiscal 2023 has been promoting its Medium-Term Management Program “Project AP-G 2025,” aiming to achieve sound, sustainable growth through the implementation of five basic strategies of “Sustainable Growth,” “Ultimate Value Creation,” “Product and Operational Excellence,” “Enhancement of People-Centric Management,” and “Risk Management and Governance.”

As a result, consolidated revenue for the fiscal year ended March 31, 2025, compared with the previous fiscal year, increased 4.0% to ¥2,563.3 billion, and core operating income (Note) rose 39.1% to ¥142.8 billion. Operating income increased 121.1% to ¥127.5 billion and profit attributable to owners of parent rose 255.8% to ¥77.9 billion.

Financial performance by segment is as described below.

Financial Performance by Segment:

Fibers & Textiles

	Year ended March 31, 2025	Year-on-year change
	Billions of yen	%
Revenue	1,011.1	3.7
Core operating income	64.2	17.3

The apparel applications were strong overall, despite the stagnation in the European market, and the continued impact of the intensified competition with overseas products.

The industrial applications fell short of a full recovery especially in the automobile applications, due to the impact of the safety test scandals of Japanese automobile manufacturers and the stagnant European market. The applications were also affected by the intensified competition in the Chinese EV market.

As a result, revenue of the overall Fibers & Textiles segment, compared with the previous fiscal year, increased 3.7% to ¥1,011.1 billion, and core operating income rose 17.3% to ¥64.2 billion.

Performance Chemicals

	Year ended March 31, 2025	Year-on-year change
	Billions of yen	%
Revenue	944.9	6.6
Core operating income	60.0	63.6

In the resins and chemicals businesses, while the resins business was affected by the production decline in the Japanese automobile industry, demand recovered in the non-automobile applications for China and ASEAN.

The films business saw increase in electronic parts-related demand due to rebound from inventory adjustment in the supply chain.

In the electronic & information materials business, there was recovery in demand for OLED-related materials and circuit materials.

As a result, revenue of the overall Performance Chemicals segment, compared with the previous fiscal year, increased 6.6% to ¥944.9 billion, and core operating income rose 63.6% to ¥60.0 billion.

Carbon Fiber Composite Materials

	Year ended March 31, 2025	Year-on-year change
	Billions of yen	%
Revenue	300.0	3.3
Core operating income	22.5	70.7

The aerospace applications recovered steadily. Among the industrial applications, while wind turbine blade applications continued to recover gradually, other applications entered an adjustment phase.

As a result, revenue of the overall Carbon Fiber Composite Materials segment, compared with the previous fiscal year, increased 3.3% to ¥300.0 billion, and core operating income rose 70.7% to ¥22.5 billion.

Environment & Engineering

	Year ended March 31, 2025	Year-on-year change
	Billions of yen	%
Revenue	236.5	(3.1)
Core operating income	25.9	11.6

The water treatment business posted an increase in both revenue and core operating income, on the back of strong demand, as well as shipments for a large-scale project in the Middle East, despite the impact of the stagnant market condition in China. The engineering business remained steady overall, though revenue of a Japanese engineering subsidiary decreased due to shift in project timing.

As a result, revenue of the overall Environment & Engineering segment, compared with the previous fiscal year, decreased 3.1% to ¥236.5 billion, while core operating income rose 11.6% to ¥25.9 billion.

Life Science

	Year ended March 31, 2025	Year-on-year change
	Billions of yen	%
Revenue	53.2	1.8
Core operating income (loss)	(0.8)	-

The pharmaceutical business was affected by the impact of the penetration of the generic versions, the NHI drug price revision, and the stagnant overseas sales volume.

In the medical devices business, shipment of dialyzers for hemodiafiltration was steady in Japan and overseas, but the business was affected by the soaring prices of raw materials.

As a result, revenue of the overall Life Science segment, compared with the previous fiscal year, increased 1.8% to ¥53.2 billion, while core operating loss narrowed by ¥0.6 billion to ¥0.8 billion.

Note:

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

Analysis of Financial Position and Cash Flows

As of March 31, 2025, Toray Group's total assets stood at ¥3,292.6 billion, a decrease of ¥173.9 billion, compared with the end of the previous fiscal year, due primarily to declines in trade and other receivables as well as other financial assets.

Total liabilities came to ¥1,472.0 billion, a decrease of ¥148.1 billion, compared with the end of the previous fiscal year, owing mainly to decreases in bonds and borrowings.

Total equity stood at ¥1,820.6 billion, a decrease of ¥25.8 billion, compared with the end of the previous fiscal year, reflecting an increase in retained earnings and a decrease in other components of equity. Equity attributable to owners of parent stood at ¥1,709.0 billion. Equity ratio as of March 31, 2025 came to 51.9%, a 1.8 percentage-point increase compared with the level at the end of the previous fiscal year. D/E ratio came to 0.49, a decline of 0.05, compared with the level at the end of the previous fiscal year.

Free cash flow for the period, derived by subtracting the cash flows of investing activities from the cash flows of operating activities, was ¥191.8 billion. Cash flows, as well as changes in the balances of cash and cash equivalents, for the fiscal year ended March 31, 2025 are as follows:

(Billions of yen)

	Year ended March 31,	
	2024	2025
Cash flows from operating activities	185.7	255.0
Cash flows from investing activities	(121.0)	(63.2)
Free cash flow	64.7	191.8
Cash flows from financing activities	(70.4)	(188.5)
Effect of exchange rate changes on cash and cash equivalents	17.6	(1.9)
Net increase (decrease) in cash and cash equivalents	11.9	1.4
Cash and cash equivalents at beginning of period	224.0	235.9
Cash and cash equivalents at end of period	235.9	237.3

(2) Forecast for the Fiscal Year Ending March 31, 2026

The global economy, which was in a gradual recovery phase, is facing a growing risk of entering a downturn phase triggered by the imposition of reciprocal tariffs by the U.S. under the Trump administration. There are also concerns of an economic slowdown in the Japanese economy, caused by a decline in exports and intensifying competition with China. Furthermore, instabilities in the stock and foreign exchange markets triggered by the imposition of the tariffs also pose concerns. The direction of the fiscal and trade policies of the U.S. under the Trump administration, as well as its negotiations with various countries, will likely affect the prevailing economic trends, which in the medium- to long- term may significantly alter supply chains and trade structure.

Under such circumstances, Toray Group will promote the basic strategies under the Medium-Term Management Program “Project AP-G 2025,” carrying out its business operations in preparation for uncertainties.

For the fiscal year ending March 31, 2026, Toray expects revenue of ¥2,670.0 billion, core operating income of ¥150.0 billion, and profit attributable to owners of parent of ¥82.0 billion, taking into consideration business expansion in growth fields, and progress in profit improvement, while factoring in the risk of stagnation of the global economy triggered by U.S. trade policies. The calculation of consolidated earnings forecasts from April 2025 onwards, is based on an assumed foreign currency exchange rate of ¥145.0 to the U.S. dollar.

2. Basic Rationale for Selecting the Accounting Standards

Toray Group has been applying International Financial Reporting Standards ("IFRS") since the fiscal year ended March 31, 2021 for the purpose of increasing international comparability of financial information, enhancing convenience for our stakeholders and improving its business management by unifying accounting treatments applied across the group in accordance with the expansion and sophistication of our global business.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	235,887	237,295
Trade and other receivables	659,600	605,967
Inventories	531,959	520,505
Other financial assets	12,973	17,227
Other current assets	67,110	66,051
Assets held for sale	15,111	14,943
Total current assets	1,522,640	1,461,988
Non-current assets		
Property, plant and equipment	1,081,115	1,109,588
Right-of-use assets	50,486	53,914
Goodwill	95,996	94,643
Intangible assets	95,269	99,299
Investments accounted for using equity method	228,989	216,714
Other financial assets	278,254	154,653
Deferred tax assets	26,144	25,162
Retirement benefit asset	70,975	59,888
Other non-current assets	16,650	16,748
Total non-current assets	1,943,878	1,830,609
Total assets	3,466,518	3,292,597

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities and Equity		
Current liabilities		
Trade and other payables	340,256	315,896
Bonds and borrowings	379,847	367,089
Lease liabilities	11,005	10,952
Other financial liabilities	13,988	11,569
Income taxes payable	12,760	39,823
Other current liabilities	107,878	112,201
Total current liabilities	865,734	857,530
Non-current liabilities		
Bonds and borrowings	530,557	432,468
Lease liabilities	28,275	32,150
Other financial liabilities	4,966	4,183
Deferred tax liabilities	89,331	51,115
Retirement benefit liability	86,396	80,254
Other non-current liabilities	14,897	14,325
Total non-current liabilities	754,422	614,495
Total liabilities	1,620,156	1,472,025
Equity		
Equity attributable to owners of parent		
Share capital	147,873	147,873
Capital surplus	120,944	120,562
Retained earnings	1,068,364	1,170,508
Treasury shares	(19,220)	(57,240)
Other components of equity	418,073	327,281
Total equity attributable to owners of parent	1,736,034	1,708,984
Non-controlling interests	110,328	111,588
Total equity	1,846,362	1,820,572
Total liabilities and equity	3,466,518	3,292,597

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

Consolidated Statement of Profit or Loss

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Revenue	2,464,596	2,563,280
Cost of sales	(2,021,073)	(2,057,385)
Gross profit	443,523	505,895
Selling, general and administrative expenses	(346,344)	(366,106)
Other income	8,985	11,507
Other expenses	(48,513)	(23,843)
Operating income	57,651	127,453
Finance income	12,149	11,092
Finance costs	(19,083)	(21,906)
Share of profit (loss) of investments accounted for using equity method	8,850	(2,351)
Profit before tax	59,567	114,288
Income tax expense	(29,112)	(27,615)
Profit	30,455	86,673
Profit attributable to:		
Owners of parent	21,897	77,911
Non-controlling interests	8,558	8,762
Profit	30,455	86,673
Earnings per share:		
Basic (Yen)	13.67	48.93
Diluted (Yen)	13.65	48.84

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit	30,455	86,673
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Investments in equity instruments	55,776	(3,353)
Remeasurements of defined benefit plans	24,712	(6,609)
Share of other comprehensive income of investments accounted for using equity method	159	(430)
	80,647	(10,392)
Items that may be reclassified to profit or loss		
Cash flow hedges	1,137	883
Deferred costs of hedging	9	(52)
Exchange differences on translation	133,237	(26,502)
Share of other comprehensive income of investments accounted for using equity method	(4)	(5)
	134,379	(25,676)
Total other comprehensive income	215,026	(36,068)
Comprehensive income	245,481	50,605
Comprehensive income attributable to:		
Owners of parent	230,631	40,886
Non-controlling interests	14,850	9,719
Comprehensive income	245,481	50,605

(3) Consolidated Statement of Changes in Equity

Year ended March 31, 2024

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
At April 1, 2023	147,873	120,919	1,037,120	(19,617)
Profit	-	-	21,897	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	21,897	-
Exercise of share acquisition rights	-	(398)	-	398
Share-based payment transactions	-	386	-	-
Dividends	-	-	(28,839)	-
Changes in ownership interest in subsidiaries	-	36	-	-
Transfer from other components of equity to retained earnings	-	-	38,186	-
Other changes	-	0	-	(1)
Total transactions with owners and other	-	25	9,347	397
At March 31, 2024	147,873	120,944	1,068,364	(19,220)

(Millions of yen)

	Equity attributable to owners of parent								
	Other components of equity						Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Investments in equity instruments	Cash flow hedges	Deferred costs of hedging	Exchange differences on translation	Remeasure-ments of defined benefit plans	Total other components of equity			
At April 1, 2023	81,367	2	121	167,243	-	248,733	1,535,028	100,782	1,635,810
Profit	-	-	-	-	-	-	21,897	8,558	30,455
Other comprehensive income	55,360	1,134	9	128,268	23,963	208,734	208,734	6,292	215,026
Comprehensive income	55,360	1,134	9	128,268	23,963	208,734	230,631	14,850	245,481
Exercise of share acquisition rights	-	-	-	-	-	-	1	-	1
Share-based payment transactions	-	-	-	-	-	-	386	-	386
Dividends	-	-	-	-	-	-	(28,839)	(5,169)	(34,008)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	36	(135)	(99)
Transfer from other components of equity to retained earnings	(14,223)	-	-	-	(23,963)	(38,186)	-	-	-
Other changes	-	(1,208)	-	-	-	(1,208)	(1,209)	-	(1,209)
Total transactions with owners and other	(14,223)	(1,208)	-	-	(23,963)	(39,394)	(29,625)	(5,304)	(34,929)
At March 31, 2024	122,504	(72)	130	295,511	-	418,073	1,736,034	110,328	1,846,362

Year ended March 31, 2025

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
At April 1, 2024	147,873	120,944	1,068,364	(19,220)
Profit	-	-	77,911	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	77,911	-
Exercise of share acquisition rights	-	(345)	-	346
Share-based payment transactions	-	355	-	-
Purchase of treasury shares	-	(7)	-	(38,366)
Dividends	-	-	(28,849)	-
Changes in ownership interest in subsidiaries	-	(385)	-	-
Transfer from other components of equity to retained earnings	-	-	53,082	-
Other changes	-	0	-	0
Total transactions with owners and other	-	(382)	24,233	(38,020)
At March 31, 2025	147,873	120,562	1,170,508	(57,240)

(Millions of yen)

	Equity attributable to owners of parent								
	Other components of equity						Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Investments in equity instruments	Cash flow hedges	Deferred costs of hedging	Exchange differences on translation	Remeasure-ments of defined benefit plans	Total other components of equity			
At April 1, 2024	122,504	(72)	130	295,511	-	418,073	1,736,034	110,328	1,846,362
Profit	-	-	-	-	-	-	77,911	8,762	86,673
Other comprehensive income	(3,629)	876	(52)	(27,627)	(6,593)	(37,025)	(37,025)	957	(36,068)
Comprehensive income	(3,629)	876	(52)	(27,627)	(6,593)	(37,025)	40,886	9,719	50,605
Exercise of share acquisition rights	-	-	-	-	-	-	1	-	1
Share-based payment transactions	-	-	-	-	-	-	355	-	355
Purchase of treasury shares	-	-	-	-	-	-	(38,373)	-	(38,373)
Dividends	-	-	-	-	-	-	(28,849)	(8,819)	(37,668)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(385)	360	(25)
Transfer from other components of equity to retained earnings	(59,675)	-	-	-	6,593	(53,082)	-	-	-
Other changes	-	(685)	-	-	-	(685)	(685)	-	(685)
Total transactions with owners and other	(59,675)	(685)	-	-	6,593	(53,767)	(67,936)	(8,459)	(76,395)
At March 31, 2025	59,200	119	78	267,884	-	327,281	1,708,984	111,588	1,820,572

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from operating activities		
Profit before tax	59,567	114,288
Depreciation and amortization	129,194	129,095
Impairment losses (reversal of impairment losses)	36,784	9,919
Share of loss (profit) of investments accounted for using equity method	(8,850)	2,351
Finance income and finance costs	2,868	7,102
Decrease (increase) in trade and other receivables	(51,380)	48,182
Decrease (increase) in inventories	22,860	4,891
Increase (decrease) in trade and other payables	(3,104)	(29,772)
Changes in retirement benefit asset and liability	(1,081)	(3,772)
Other adjustments	21,113	3,061
Subtotal	207,971	285,345
Interest received	6,103	5,294
Dividends received	18,159	16,602
Interest paid	(16,748)	(17,750)
Income taxes refund (paid)	(29,805)	(34,458)
Net cash provided by operating activities	185,680	255,033
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(134,130)	(179,248)
Proceeds from sale of property, plant and equipment, and intangible assets	2,400	6,120
Payments for acquisition of subsidiaries	(6,456)	(225)
Purchase of investments	(3,580)	(2,447)
Proceeds from sale and redemption of investments	23,222	113,747
Other inflows (outflows) of cash	(2,453)	(1,145)
Net cash used in investing activities	(120,997)	(63,198)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	32,011	(3,759)
Proceeds from issuance of bonds and long-term borrowings	100,494	48,060
Redemption of bonds and repayments of long-term borrowings	(185,858)	(144,250)
Repayments of lease liabilities	(11,605)	(12,455)
Purchase of treasury shares	(1)	(38,373)
Dividends paid to owners of parent	(28,828)	(28,831)
Dividends paid to non-controlling interests	(5,168)	(8,820)
Other inflows (outflows) of cash	28,585	(92)
Net cash provided by (used in) financing activities	(70,370)	(188,520)
Effect of exchange rate changes on cash and cash equivalents	17,579	(1,907)
Net increase (decrease) in cash and cash equivalents	11,892	1,408
Cash and cash equivalents at beginning of period	223,995	235,887
Cash and cash equivalents at end of period	235,887	237,295

(5) Notes to the Consolidated Financial Statements

(Segment Information)

1. Information by reportable segment

Year ended March 31, 2024

(Millions of yen)

	Reportable segments					Other *1	Total	Reconcilia-tions *2,3	Consolidated total
	Fibers & Textiles	Performance Chemicals	Carbon Fiber Composite Materials	Environment & Engineering	Life Science				
Revenue									
Revenue from external customers	974,790	886,079	290,478	244,086	52,234	16,929	2,464,596	-	2,464,596
Intersegment revenue	1,785	17,493	830	52,145	-	27,804	100,057	(100,057)	-
Total	976,575	903,572	291,308	296,231	52,234	44,733	2,564,653	(100,057)	2,464,596
Core operating income (loss)	54,730	36,682	13,193	23,220	(1,343)	3,295	129,777	(27,159)	102,618
Total assets	1,006,923	1,262,247	718,427	386,236	71,826	111,898	3,557,557	(91,039)	3,466,518
(Other items)									
Depreciation and amortization	35,061	48,703	31,677	7,729	3,455	2,542	129,167	27	129,194
Impairment losses	5,663	11,775	19,305	16	25	-	36,784	-	36,784
Investments accounted for using equity method	85,980	93,722	6,476	28,208	1,291	13,739	229,416	(427)	228,989
Capital expenditures *4	34,053	58,089	42,337	6,435	3,455	2,778	147,147	18	147,165

*1 “Other” represents service-related businesses such as analysis, physical evaluation and research.

*2 “Reconciliations” of core operating income of ¥(27,159) million include intersegment eliminations of ¥(763) million and corporate expenses of ¥(26,396) million. The corporate expenses consist of the headquarters’ research expenses that are not allocated to each reportable segment.

*3 “Reconciliations” of total assets of ¥(91,039) million include intersegment eliminations of ¥(114,619) million and corporate assets of ¥23,580 million. The corporate assets consist of the headquarters’ research assets that are not allocated to each reportable segment.

*4 Capital expenditures do not include the increase in assets resulting from business combinations.

Year ended March 31, 2025

(Millions of yen)

	Reportable segments					Other *1	Total	Reconcilia-tions *2,3	Consolidated total
	Fibers & Textiles	Performance Chemicals	Carbon Fiber Composite Materials	Environment & Engineering	Life Science				
Revenue									
Revenue from external customers	1,011,099	944,854	299,963	236,524	53,163	17,677	2,563,280	-	2,563,280
Intersegment revenue	1,590	11,670	554	82,538	-	28,727	125,079	(125,079)	-
Total	1,012,689	956,524	300,517	319,062	53,163	46,404	2,688,359	(125,079)	2,563,280
Core operating income (loss)	64,182	60,007	22,515	25,915	(774)	2,440	174,285	(31,523)	142,762
Total assets	942,240	1,169,020	748,335	358,740	69,435	115,162	3,402,932	(110,335)	3,292,597
(Other items)									
Depreciation and amortization	34,418	48,641	31,923	8,021	3,524	2,613	129,140	(45)	129,095
Impairment losses	6,406	3,273	159	20	61	-	9,919	-	9,919
Investments accounted for using equity method	83,912	82,944	6,439	28,654	1,301	13,806	217,056	(342)	216,714
Capital expenditures *4	44,305	63,933	86,483	6,989	3,167	2,620	207,497	922	208,419

*1 “Other” represents service-related businesses such as analysis, physical evaluation and research.
*2 “Reconciliations” of core operating income of ¥(31,523) million include intersegment eliminations of ¥(2,923) million and corporate expenses of ¥(28,600) million. The corporate expenses consist of the headquarters’ research expenses that are not allocated to each reportable segment.
*3 “Reconciliations” of total assets of ¥(110,335) million include intersegment eliminations of ¥(139,936) million and corporate assets of ¥29,601 million. The corporate assets consist of the headquarters’ research assets that are not allocated to each reportable segment.
*4 Capital expenditures do not include the increase in assets resulting from business combinations.

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

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Core operating income	102,618	142,762
Gain on sale or disposal of fixed assets	1,298	4,240
Loss on sale or disposal of fixed assets	(7,671)	(7,681)
Impairment losses	(36,784)	(9,919)
Provision for product warranties *1	(1,810)	-
Economic compensation *2	-	(1,949)
Operating income	57,651	127,453

*1 Provision for product warranties includes the costs for replacing and repairing some possibly defective products for industrial applications in the Carbon Fiber Composite Materials segment, which Toray Industries, Inc. manufactured and sold in the past.
*2 Economic compensation includes the estimated payments to employees accompanying the production transfer from Toray Plastics (Shenzhen) Ltd., a resin compound manufacturing and sales subsidiary in China, to Toray Resins (Foshan) Co., Ltd. in the Performance Chemicals business.
*3 Reconciliation of operating income to profit before tax is presented in the consolidated statement of profit or loss.

2. Information about geographical areas

The breakdown of revenue from external customers and non-current assets by geographical area is as follows:

(1) Revenue from external customers

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Japan	975,211	997,967
Asia		
China	464,893	494,239
Other	454,857	491,576
North America, Europe and other	569,635	579,498
Total	2,464,596	2,563,280

* Revenue is attributed to each area based on the location of customers.

(2) Non-current assets (excluding financial instruments, deferred tax assets and retirement benefit asset)

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Japan	341,501	366,530
Asia		
Republic of Korea	224,535	212,188
Other	205,455	198,597
North America, Europe and other		
U.S.A.	302,921	325,689
Europe and other	265,104	271,188
Total	1,339,516	1,374,192

(Earnings per Share)

1. Basis for calculation of basic earnings per share

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit attributable to common shareholders of parent		
Profit attributable to owners of parent	21,897	77,911
Profit not attributable to common shareholders of parent	-	-
Profit used for calculation of basic earnings per share	21,897	77,911
Average number of common shares for the period (Thousands of shares)	1,601,540	1,592,166
Basic earnings per share (Yen)	13.67	48.93

2. Basis for calculation of diluted earnings per share

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Diluted profit attributable to common shareholders		
Profit used for calculation of basic earnings per share	21,897	77,911
Adjustments to profit	-	-
Profit used for calculation of diluted earnings per share	21,897	77,911
Average number of common shares for the period (Thousands of shares)	1,601,540	1,592,166
Increase in common shares		
Share acquisition rights (Thousands of shares)	3,103	3,089
Average number of diluted common shares for the period (Thousands of shares)	1,604,642	1,595,256
Diluted earnings per share (Yen)	13.65	48.84
Summary of potential shares not included in the calculation of diluted earnings per share because they were antidilutive for the period	-	-

(Subsequent Events)

Not Applicable.

(Going Concern Assumption)

Not Applicable.