
Flash Report

Results of FY2023 1Q & Outlook for FY2023

Teijin Limited

August 7, 2023

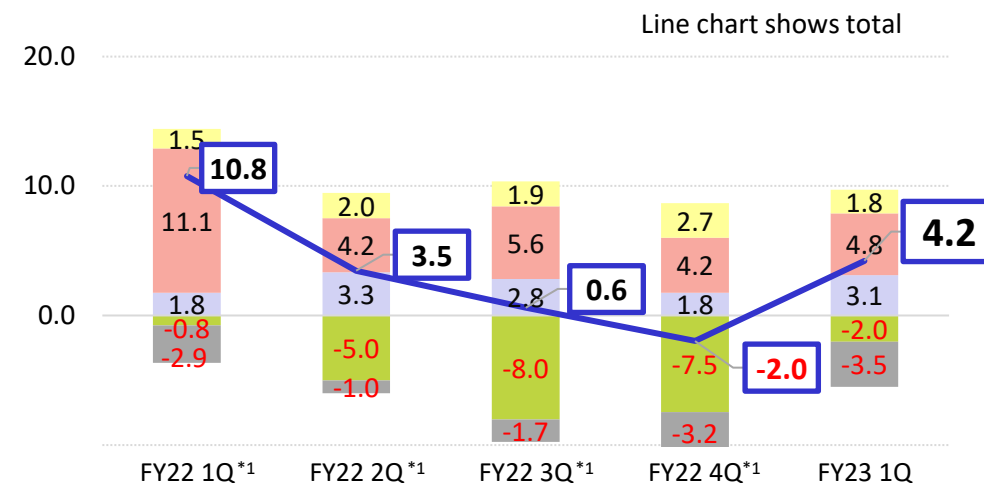
Points of Financial Results of FY2023 1Q & FY2023 outlook

Materials Fibers & Products Healthcare IT Others

Results for FY2023 1Q (Compared with FY2022 4Q and FY 2022 1Q)

- Compared with FY2022 4Q, operating income increased by 6.2 billion yen from -2.0 billion yen to 4.2 billion yen
 - Materials: Operating income increased due to the desired effects of measures in the “Teijin Group Reforms for Profitability Improvement” and a recovery from temporary production problems
 - Healthcare: Operating income grew slightly mainly due to rebounding from restrained purchase of pharmaceuticals and the concentration of expenses in 4Q
- Compared with FY2022 1Q, operating income decreased by 6.6 billion yen from 10.8 billion yen to 4.2 billion yen
 - Materials: Operating income decreased mainly due to a the partly lingering impact of the plant fire occurred in the previous fiscal year and the delayed recovery of the Chinese economy
 - Healthcare: Operating income decreased mainly due to the market entry of generic alternatives to *FEBURIC* and drug price revisions

Trend of operating income <Quarterly trends> (Billions of Yen)

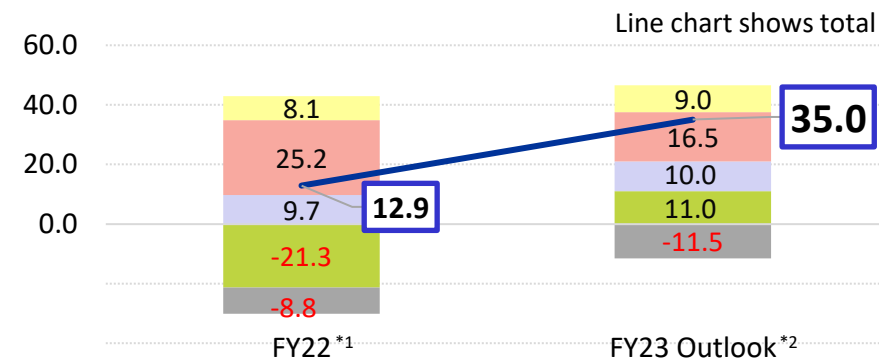


Outlook for FY2023 (Compared with FY2022)

No changes made to the previous outlook of financial results and dividends

- Reforms for Profitability Improvement will be implemented in three underperforming businesses (aramid, composites, and Healthcare businesses) as announced in February
- We forecast that net sales will increase by 3.1% to 1,050.0 billion yen, while operating income will increase by 2.7 times to 35.0 billion yen
 - Operating income is forecast to increase due to the appearance of the effects of the abovementioned improvement measures and the elimination of the impact of temporary production problems in the previous fiscal year in the Materials Business, despite the expected year-round impact of the market entry of generic alternatives to *FEBURIC* on the Healthcare Business
- Profit attributable to owners of parent is forecast to be 13.0 billion yen (recovering from a loss of 17.7 billion yen for the previous fiscal year)
- The annual dividend is forecast to be 30 yen per share

Trend of operating income (Billions of Yen)



*1. From FY2023, organizations for new businesses in the “Materials” and “Healthcare” segments were transferred to the Group-wide “Others” segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes
 *2. No changes made to the previous outlook

Key Assumptions regarding the Company's Main Target Markets (FY2023)

Demand will remain firm overall

Main businesses		Markets	Main Areas	FY2023 1Q	Outlook for FY2023 2Q onward
Materials	Aramid	Automotive	Europe US	<ul style="list-style-type: none"> Demand was strong in Europe for tires for luxury cars and EVs 	<ul style="list-style-type: none"> Demand will remain firm mainly for products for tire applications
		Industrial materials	Europe US China	<ul style="list-style-type: none"> Demand for products for optical fiber applications remained high 	<ul style="list-style-type: none"> Demand will remain firm
		Ballistic /Protective apparel	Europe US	<ul style="list-style-type: none"> Demand for products for ballistics and protective apparel applications remained firm 	<ul style="list-style-type: none"> Demand will remain firm
	Resin	Electrical and electronic equipment	China Asia Europe US	<ul style="list-style-type: none"> Demand remained low mainly due to the delayed recovery of the Chinese economy and a slowdown in the European and U.S. economies 	<ul style="list-style-type: none"> Demand will remain low
		Automotive	Japan China Asia	<ul style="list-style-type: none"> Demand recovered due to shortages of semiconductors and other parts resolved mostly 	<ul style="list-style-type: none"> Demand will remain firm
	Carbon fibers	Aircraft	Europe US	<ul style="list-style-type: none"> Demand for passenger aircraft was strong due to recovery in passenger numbers 	<ul style="list-style-type: none"> Demand will remain firm
	Composites	Automotive	US	<ul style="list-style-type: none"> U.S. automotive demand remained firm (despite a decline in demand for some automotive types) 	<ul style="list-style-type: none"> Demand will remain firm
Fibers & Products Converting	Fiber materials and apparel	Europe US China Japan	<ul style="list-style-type: none"> Demand remained steady in the U.S. and China but low in Europe Consumption in Japan was high 	<ul style="list-style-type: none"> The European and U.S. markets will be sluggish due to inflation and rises in interest rates The Japanese market will remain strong 	
	Industrial materials	Japan China	<ul style="list-style-type: none"> Inventory adjustment was under way in automotive supply chains 	<ul style="list-style-type: none"> Inventory adjustment will gradually be mitigated 	

Key Assumptions regarding the Company's Main Target Markets (FY2023)

Main businesses	Markets	Main Areas	FY2023 1Q	Outlook for FY2023 2Q onward
Healthcare	Pharmaceuticals	Japan	<ul style="list-style-type: none"> • Market size of gout and hyperuricemia treatments are shrinking due to the market entry of generic drugs despite an ongoing increase in the number of patients suffering from these diseases • The market for diabetes treatments grows slightly, but competition in the market remains fierce 	<ul style="list-style-type: none"> • We will conduct hybrid promotion activities using both in-person visits and e-promotion in anticipation of continued restrictions on in-person visits to hospitals, despite increased in-person interview activities
			<ul style="list-style-type: none"> • Since medical institutions continue to impose restrictions on in-person visits to them amid the COVID-19 pandemic, e-promotion was continuously enhanced 	
	Home healthcare		<ul style="list-style-type: none"> • The home oxygen therapy (HOT) market will stay flat, despite newly HOT distribution due to COVID-19 will decrease • It will continue to grow, and the number of continuous positive airway pressure (CPAP) -related examinations will gradually recover 	
IT	E-comic	Japan	<ul style="list-style-type: none"> • Demand for e-comic remained firm 	<ul style="list-style-type: none"> • The market will remain firm

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Disclaimer Regarding Forward-Looking Statements

Any statements in this document, other than those of historical facts, are forward-looking statements about the future performance of Teijin and its Group companies, which are based on management's assumptions and beliefs in light of information currently available and involve risks and uncertainties. Actual results may differ materially from these forecasts.

Note

Information about pharmaceuticals, medical devices, and regenerative medical products (including pipeline products) included in this material is not provided for the purposes of advertising or medical advice.

This material is based on the consolidated results for FY2023 1Q announced at 11:30 A.M. on August 7, 2023 (local time in Japan).

1. Results of FY2023 1Q

◆ FY2023 1Q actual highlights [Compared with FY2022 4Q and FY2022 1Q]

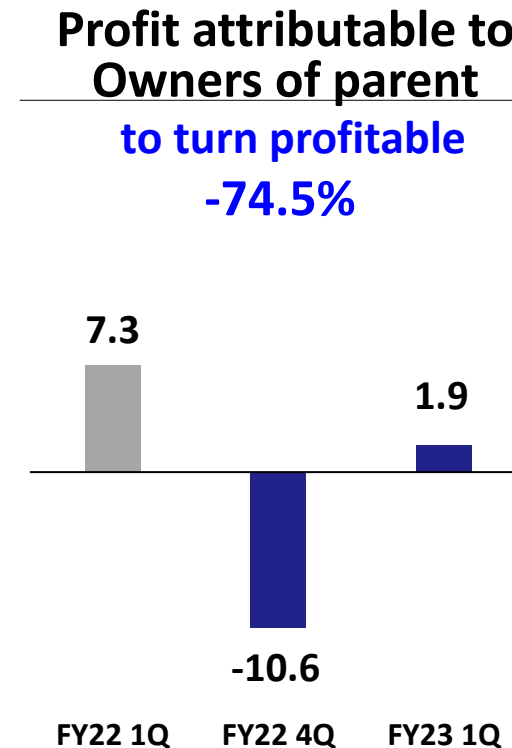
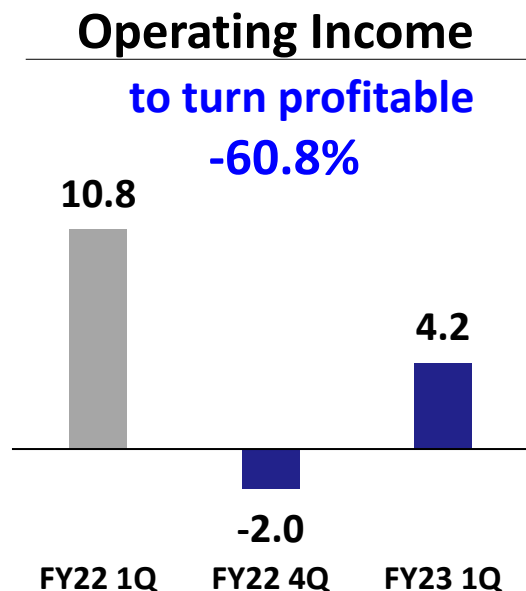
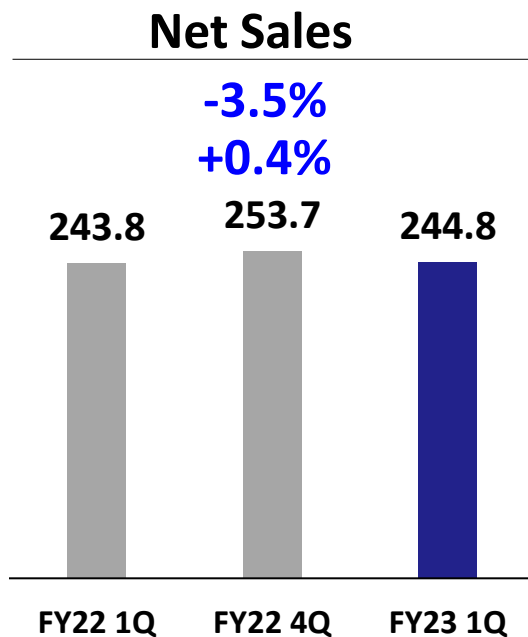
【Operating income】

< Compared with FY2022 4Q >The Materials Business Field achieved a significant increase in operating income due to the desired effects of profitability improvement measures adopted in the aramid and composites businesses and a recovery from the impact of last fiscal year’s fire at an aramid plant, while the Fibers & Products Converting Business also experienced an increase in operating income thanks to strong sales. Operating income slightly increased in the Healthcare Business Field and slightly decreased in the IT Business. As a result, consolidated operating income increased by 6.2 billion yen from the previous quarter

< Compared with FY2022 1Q >The Materials Business Field experienced a decrease in operating income because the production recovery from the lingering impact of last fiscal year’s fire at an aramid plant was still in progress and because an increase in fixed plant costs, mainly labor costs, had a negative impact, despite the contribution of the appearance of the desired effects of selling price revisions and a decline in material and fuel prices. The Healthcare Business Field also experienced a drop in operating income mainly due to decreased sales of *FEBURIC* and drug price revisions, while the Fibers & Products Converting Business and the IT Business achieved an operating income increase. As a result, consolidated operating income decreased by 6.6 billion yen year on year

(Billions of Yen)

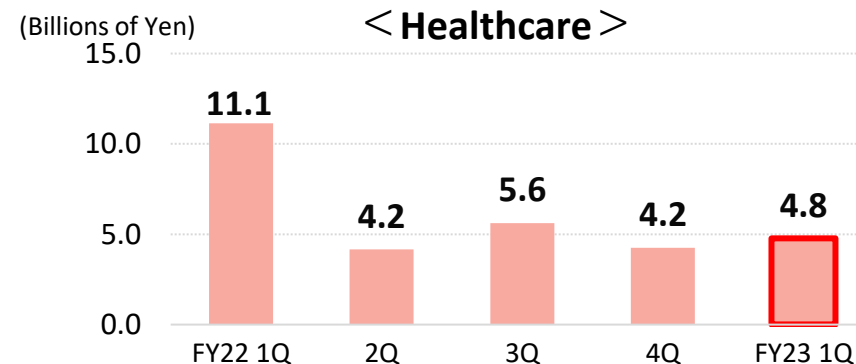
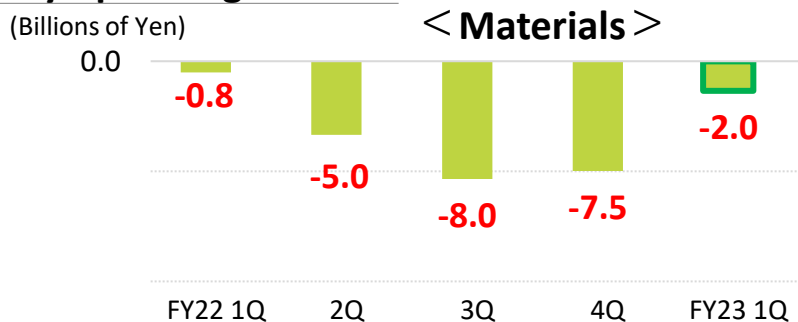
vs FY22 4Q
vs FY22 1Q



◆ FY2023 1Q actual highlights [Compared with FY2022 4Q]

Segment	Trends and factors behind the operating income (FY2022 4Q→FY2023 1Q)	
Consolidated		• Recovery in the Materials Business Field made a significant contribution
-Materials		<ul style="list-style-type: none"> • Reduced natural gas prices and the improved level of plant operations after recovery from the fire had favorable impacts on the aramid business • In the composites business, the desired effects of profitability improvement measures appeared (progress in selling price revisions and productivity improvement)
-Fibers & Products		• Sales in the fiber materials and apparel field were good both in Japan and abroad, while the industrial materials field also achieved firm sales
-Healthcare		• Rebounded from restrained purchase of pharmaceuticals before drug price revisions and the concentration of expenses in 4Q
-IT		• Rebounded from concentration of delivery timing in 4Q in IT business solution field (a seasonal factor)

Trend of quarterly operating income*1



(-) Aramid: Rise in the natural gas price
 (-) Composites: Equipment breakdowns

(-) Aramid: Plant fire in Dec.
 (-) Composites: Sales volume decline due to parts shortages in OEM and the lasting impact of the equipment breakdowns

(-) Aramid: Impact of the fire
 (+) Composites: Recovery from the equipment breakdowns

(-) Market entry of generic alternatives to *FEBURIC* in June

(+) License income
 (-) Restrained purchase of pharmaceuticals and concentrated expenses

*1. From FY2023, organizations for new businesses in the "Materials" and "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

◆ Progress of the Teijin Group Reforms for Profitability Improvement (announced in February)

Reforms for Profitability Improvement - We will carry out structural reforms company-wide, **focusing on improving the profitability of underperforming businesses and reforming our management structure of corporate officers and HQ staff**

- As a result of these efforts, we aim to **increase earnings by 30 billion yen or more by FY2023**

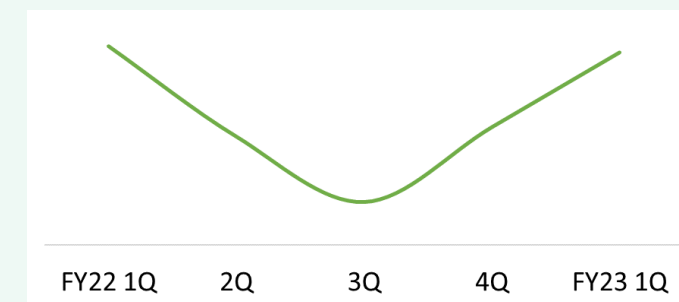
- **Composites business** : ①Recovery from temporary factors ②Reforms for Profitability Improvement [Approximately 130 profitability improvement measures and enhancement of monitoring system will be implemented] ③Selection and concentration (Europe/China/Japan)

- ① Recovery from temporary factors : **Operational stabilization is still in progress despite equipment refurbishment completed**
- ② Reforms for Profitability Improvement : **Progressing as planned and major monitoring items have been improved**

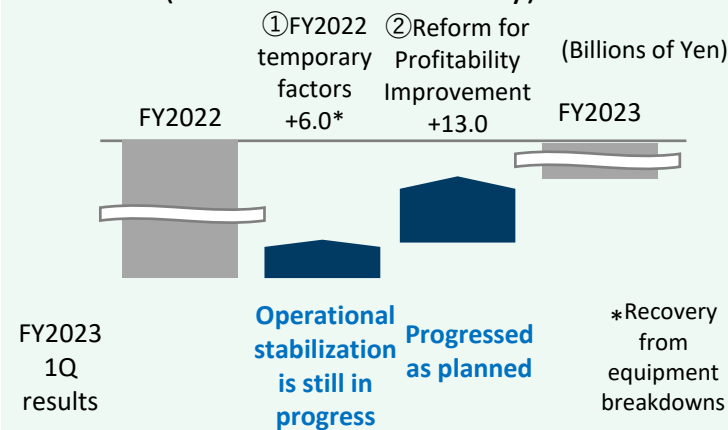
Profitability improvement area in North America	Overview of improvement measures	FY2023 1Q
Sales	<ul style="list-style-type: none"> ● Exiting unprofitable programs ● Renegotiating cost pass-through other than raw material cost 	5.0
Procurement	<ul style="list-style-type: none"> ● Negotiating with/switching suppliers, reviewing proposal request and bidding process ● Centralizing procurement 	1.5
Production	<ul style="list-style-type: none"> ● Scaling out best practices, optimizing inventory and logistics ● Integrating or partially closing production facilities for efficient use of capacity 	6.5
FY2023 total profit improvement target (Billions of yen)		13.0

Progressed as planned

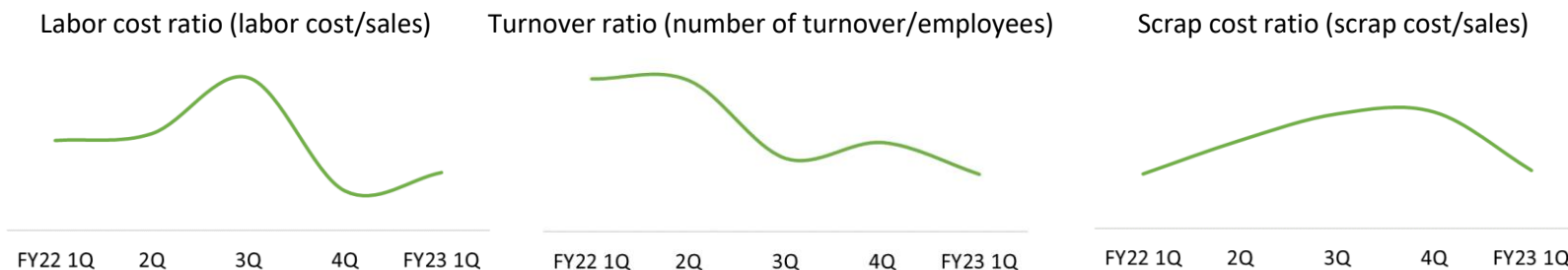
● Trend of operating income



● Image of operating income for North America business (announced in February)



● Trend of monitoring items



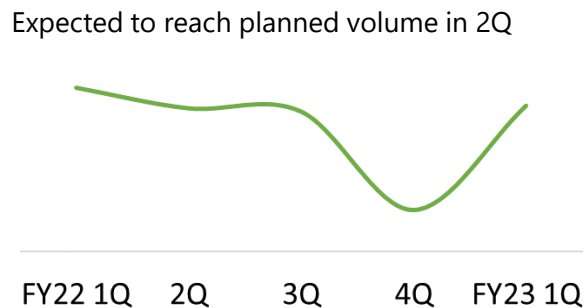
③ Selection and concentration: **Decided to withdraw from the China composites business (See page 26 for detail)**

◆ Progress of the Teijin Group Reforms for Profitability Improvement (announced in February)

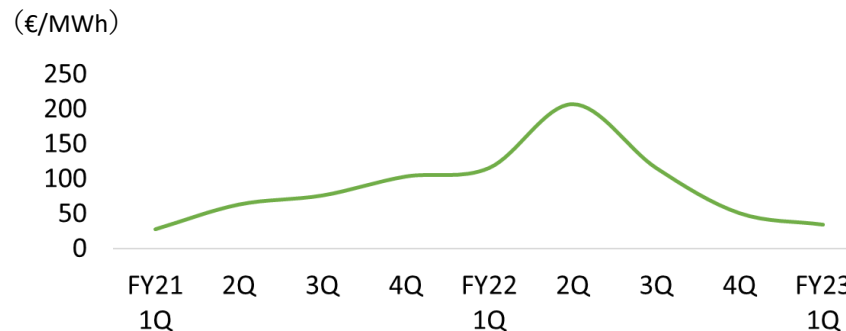
- **Aramid business:**
 - ① **Recovery from temporary factors**
 - ② **Reforms for Profitability Improvement [Efforts to strengthen on-site capabilities triggered by the fire, reinforce strengths such as safety and quality, and response to natural gas price hike]**
- ① Recovery from temporary factors: **The raw material plant where the fire had occurred returned to its normal conditions in FY2022 earlier than planned**
- ② Reforms for Profitability Improvement : **Executed forward contract lower than planed in response to natural gas price decline**

Productivity Improvement	<ul style="list-style-type: none"> ● Rapid recovery from the impact of factory fire, stabilizing production on existing and expanded lines ● Driving production innovation through enhanced automation and digitalization of processes mainly in the yarn spinning process 	FY2023 1Q Progressed ahead of schedule (Executed natural gas forward contract lower than planed)
Natural Gas Price Surge	<ul style="list-style-type: none"> ● Considering sourcing raw materials from outside Europe and dispersing production facilities ● Stabilizing purchase price (e.g. executing forward contract) 	
Production/Sales Increase	<ul style="list-style-type: none"> ● Realizing early the effects of expanded facility capacity 	

● Trend of production volume

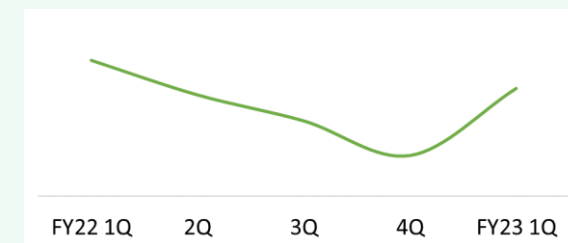


● Trend of natural gas price*1

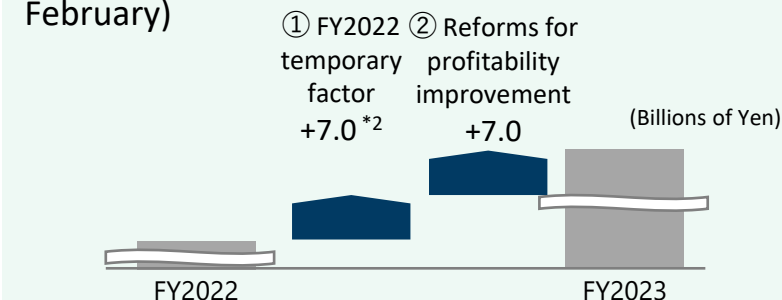


*1. Monthly average of Dutch TTF Natural Gas price

● Trend of operating income



● Image of operating income for Aramid (announced in February)



FY2023 1Q results

Progress ahead of schedule (Recovery from fire appeared in FY2022 4Q, earlier than planned)

*2. impact of the fire at a low material plant, etc.

◆ Progress of the Teijin Group Reforms for Profitability Improvement (announced in February)

- Healthcare : ①Licensing drugs for rare diseases and intractable diseases that can utilize our business platforms
②Structural reforms to an adequate resource scale ③Maximizing the existing products

① Drugs licensing : **progressed as planned**

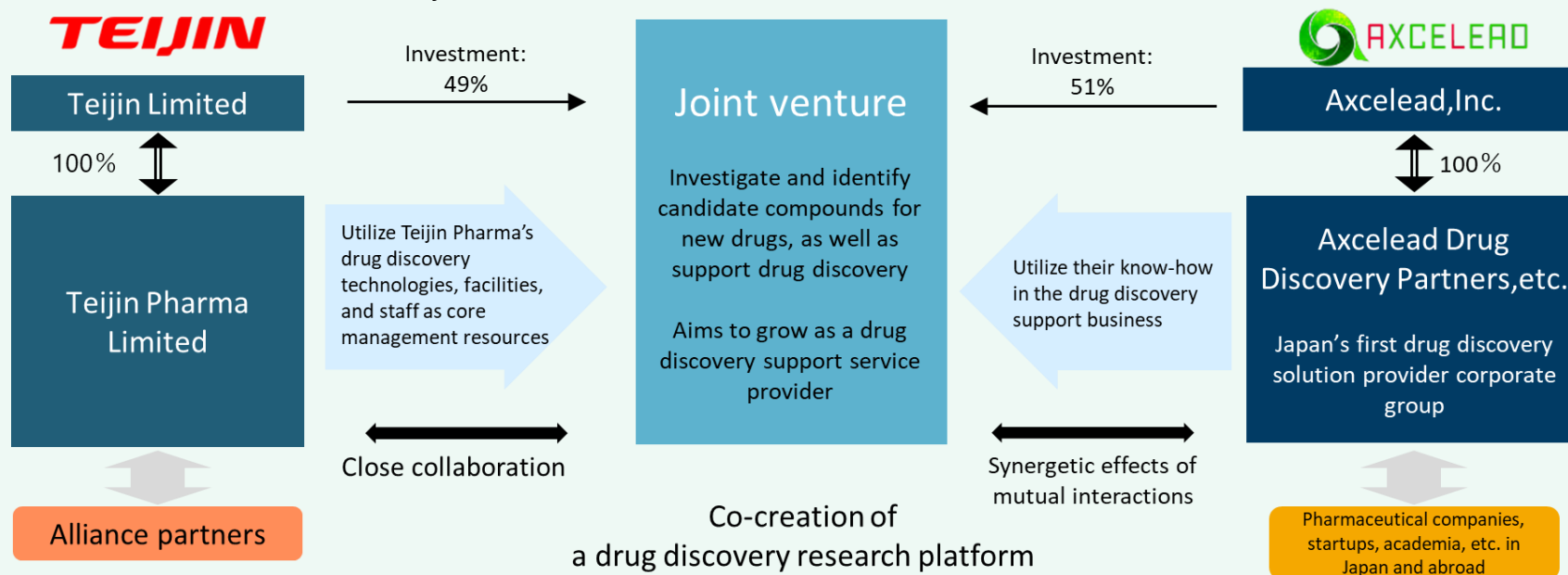
② Structural reforms : **Horizontal division of drug discovery research functions: Conclusion of the final contract with Axcelead, Inc. for the establishment of a drug discovery research joint venture**

③ Maximizing the existing products : **progressed as planned**

◆ Teijin Limited and Axcelead, Inc. to Establish a New Joint Venture under Their Shared Full Ownership on April 1, 2024

■ Objectives : To horizontally divide drug discovery research functions, including non-clinical research, in which overseas companies are ahead of us, and to expand new forms of drug discovery research services

■ Background : February 2023: Both companies signed a basic agreement on a capital and business alliance to establish a new joint venture under their shared full ownership while using the drug discovery research functions of Teijin Pharma Limited, a consolidated subsidiary of Teijin Limited, as core management resources
June 2023: Both companies agreed on investment ratio, organizational structure, and other management matters and concluded the final contract to determine the establishment of the new joint venture



◆ Operating results [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q	FY23 1Q	Difference	% Change
Net Sales	243.8	244.8	+1.0	+0.4%
Operating Income	10.8	4.2	-6.6	-60.8%
Non-operating Items (Net)	3.5	0.8	-2.7	-77.8%
Ordinary Income	14.3	5.0	-9.3	-65.0%
Extraordinary Items (Net)	0.2	2.3	+2.1	-
Income Before Income Taxes	14.5	7.3	-7.2	-49.9%
Profit Attributable to Owners of Parent	7.3	1.9	-5.4	-74.5%
ROE ^{*1}	6.5%	1.7%	-4.8%	-
ROIC ^{*2}	5.2%	1.9%	-3.2%	-
EBITDA ^{*3}	29.2	23.8	-5.5	-18.8%

1. ROE= Profit attributable to owners of parent/ Average total shareholders' equity

2. ROIC based on operating income = Operating income / Average invested capital
(Invested capital = Net assets + Interest-bearing debt - Cash and deposits)

*Average: ([Beginning balance + Ending balance] / 2)

*1,2 are annualized numbers based on 3 months results

(Billions of Yen)

	FY22 1Q	FY23 1Q	Difference	% Change
CAPEX ^{*4}	13.5	12.6	-0.9	-6.6%
Depreciation & Amortization	18.5	19.5	+1.1	+5.8%
R&D Expenses	7.8	7.4	-0.4	-4.9%

◇ Exchange rate, Oil & Gas price

		FY22 1Q	FY23 1Q
PL exchange rate	Yen/US\$	130	137
	Yen/Euro	138	149
An average Dubai crude oil price (US\$/barrel)		106	78
An average Europe natural gas price (Euro/MWh)		106	36

*3. EBITDA = Operating income + Depreciation & amortization

*4. CAPEX includes investments in intangible assets (excludes M&A)

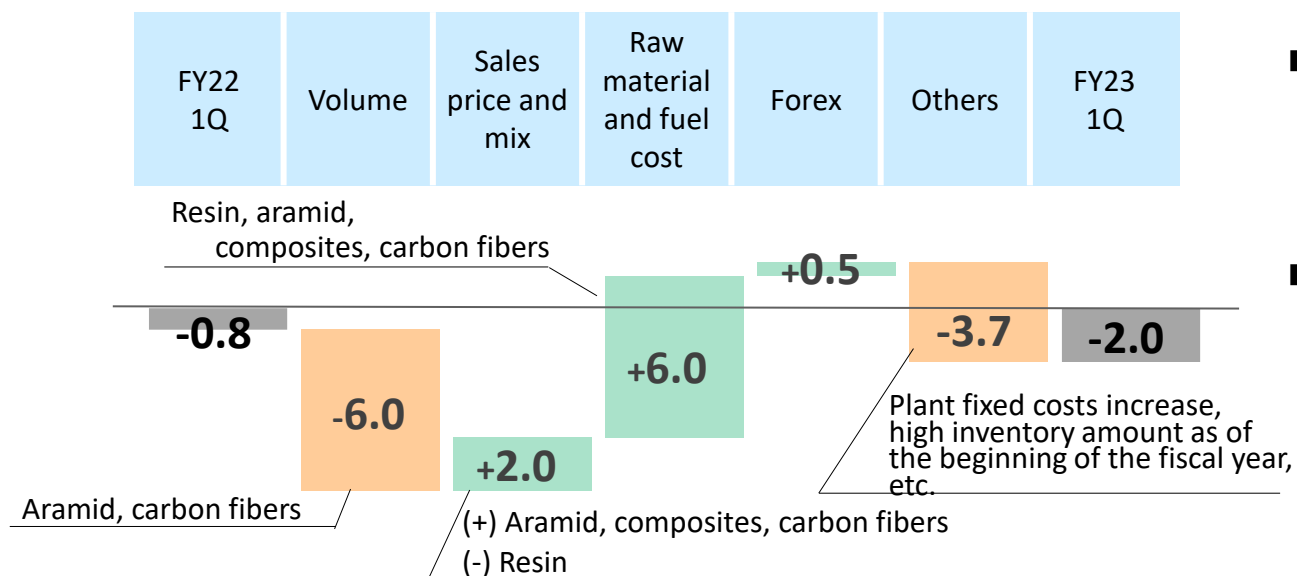
◆ Materials Segment [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q*1	FY23 1Q	Difference	% change
Net sales	103.9	105.8	+1.9	+1.8%
EBITDA	7.9	7.5	-0.5	-5.9%
Depreciation & Amortization	8.7	9.5	+0.8	+9.2%
Operating income	(0.8)	(2.0)	-1.3	-
ROIC	(1%)	(2%)	-1%	-

<Changes in operating income> *From the FY2023, operating income is used as a metric for comparison in place of EBITDA

(Billions of Yen)



- Aramid (Both net sales and operating income decreased)
 - Although the raw material plant where the fire had occurred returned to its normal physical condition earlier than planned, its recovery in terms of production volume was still in progress, causing a shortage of inventories available for sale
 - Operating income was boosted by selling price revisions and the fall in the price of natural gas
 - The business was affected mainly by an increase in plant fixed costs, primarily a sharp rise in unit labor costs, as well as a high inventory amount as of the beginning of the fiscal year due to last fiscal year's increased costs
- Resin (Net sales decreased and operating income was almost the same)
 - The delayed recovery of the Chinese economy and a slowdown in the European and U.S economies kept sales volume as low as in FY2022 1Q, which was under the impact of the COVID-19 pandemic
 - The spread remained almost the same despite a drop in selling prices due to the fall in material and fuel prices
- Carbon fibers (Both net sales and operating income increased)
 - Sales of aircraft products were firm, while sales of products for industrial applications were partially slow down (with the sales mix improved)
 - Against a backdrop of reduced material and fuel prices, selling prices were maintained, resulting in an improved ratio of profit
- Composites (Net sales increased and operating income was almost the same)
 - Sales volume remained similar year on year due to production adjustment in some programs despite general firm automotive demand
 - The effects of selling price revisions on raw material inflation appeared
 - Plant fixed costs increased mainly due to a sharp rise in unit labor costs and the maintenance costs
 - Progressed in profitability improvement in North America

*1. From FY2023, organizations for new businesses in the "Materials" segment were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

◆ Fibers & Products Converting Segment [Compared with FY2022 1Q]

(Billions of Yen)

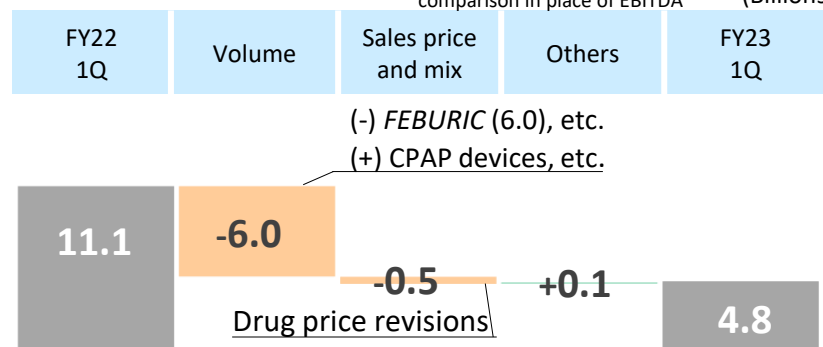
	FY22 1Q	FY23 1Q	Difference	% change
Net sales	73.7	75.6	+1.9	+2.6%
EBITDA	3.5	5.1	+1.5	+43.9%
Depreciation & Amortization	1.8	2.0	+0.2	+11.0%
Operating income	1.8	3.1	+1.4	+77.0%
ROIC	5%	9%	+3%	-

◆ Healthcare Segment [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q*1	FY23 1Q	Difference	% change
Net sales	43.1	35.8	-7.4	-17.0%
EBITDA	17.7	11.2	-6.5	-36.8%
Depreciation & Amortization	6.5	6.4	-0.1	-2.1%
Operating income	11.1	4.8	-6.4	-57.2%
ROIC	24%	11%	-13%	-

<Changes in operating income> *From the FY2023, operating income is used as a metric for comparison in place of EBITDA (Billions of Yen)



■ Fibers & Products Converting Segment

-Industrial materials: Sales of polyester staple fibers for water treatment filters and infrastructure reinforcement remained firm

-Fiber materials and apparel: Both sales of textile and apparel products for US and Chinese markets and apparel in Japan remained strong

■ Pharmaceuticals

-The sales volume of *FEBURIC**2 declined due to the market entry of generic alternatives last year (June 2022)

-Sales of *Somatuline**3 and *Xeomin**4 grew steadily

-Income was affected by drug price revisions

-Sales activities were conducted to promote the use of OSTABALO 1.5 mg, an osteoporosis treatment launched in January 2023

■ Home healthcare

-CPAP: The number of rented CPAP devices continued to grow against the backdrop of a recovery in the number of examinations

-HOT: The number of rented HOT machines remained as high as in FY2022 1Q

*1. From FY2023, organizations for new businesses in the “Healthcare” segment were transferred to the Group-wide “Others” segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

*2. Gout and hyperuricemia treatment drug

*3. Acromegaly and pituitary gigantism, thyroid-stimulating hormonesecreting pituitary adenoma, and gastroenteropancreatic neuroendocrine tumours treatment drug *Somatuline*® is the registered trademark of Ipsen Pharma, France

*4. Upper limb spasm and lower limb spasm treatment drug *Xeomin*® is the registered trademark of Merz Pharma GmbH & Co. KGaA, Germany

◆ IT Segment [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q	FY23 1Q	Difference	% change
Net sales	12.9	16.2	+3.3	+25.4%
EBITDA	1.7	2.0	+0.3	+18.4%
Depreciation & Amortization	0.2	0.2	-0.0	-3.1%
Operating income	1.5	1.8	+0.3	+21.2%
ROIC	38%	52%	+13%	-

■ IT Segment

- In the Internet business field, enhanced advertising and promotion for e-comics services, resulting in strong sales
- In the business solution field, performance remained firm mainly in corporate services

◆ Others [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q*1	FY23 1Q	Difference	% change
Net sales	10.2	11.5	+1.3	+12.8%
EBITDA	(0.1)	(0.3)	-0.2	-
Depreciation & Amortization	1.1	0.8	-0.3	-26.7%
Operating income	(1.2)	(1.1)	+0.1	-

■ Others:, Battery materials, orthopedic implantable medical devices, and regenerative medicine, etc.

- In the battery materials field, sales of separators remained strong
- In the orthopedic implantable devices field, sales volume remained firm against the backdrop of a recovery in the number of surgeries after the reclassification of COVID-19 as a Class V Infectious Disease
- In the regenerative medicine field, the performance of J-TEC*2 remained firm

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*2. Japan Tissue Engineering Co., Ltd.

◆ Non-operating items [Compared with FY2022 1Q]

	(Billions of Yen)		
	FY22 1Q	FY23 1Q	Difference
Interest income	0.2	0.6	+0.4
Dividends income	0.5	0.5	-0.1
Equity in earnings of affiliates	1.2	-	-1.2
Gain on valuation of derivatives	7.1	6.4	-0.8
Others	0.7	0.8	+0.1
Non-operating income, total	9.8	8.2	-1.5
Interest expenses	1.1	3.6	+2.5
Equity in losses of affiliates	-	0.5	+0.5
Foreign exchange losses	4.4	2.6	-1.8
Loss on valuation of derivatives	0.4	0.4	-0.0
Others	0.3	0.4	+0.1
Non-operating expenses, total	6.2	7.5	+1.2
Non-operating items, total	3.5	0.8	-2.7

◆ Extraordinary items [Compared with FY2022 1Q]

	(Billions of Yen)		
	FY22 1Q	FY23 1Q	Difference
Gain on sales of investment securities	1.1	2.4	+1.3
Others	0.0	0.4	+0.4
Extraordinary income, total	1.1	2.8	+1.7
Loss on sales and retirement of noncurrent assets	0.4	0.1	-0.3
Loss on valuation of investment securities	0.2	0.2	+0.0
Others	0.4	0.2	-0.1
Extraordinary loss, total	0.9	0.5	-0.4
Extraordinary items, total	0.2	2.3	+2.1

◆ Financial position [Compared with the end of FY2022]

				(Billions of Yen)
	Mar. 31, 2023	Jun. 30, 2023	Difference	(Impact of foreign exchange rate)
Total assets	1,242.4	1,302.8	+60.4	+37.2
Liabilities	791.3	831.5	+40.2	+18.7
[Interest-bearing debt]	529.4	576.4	+47.0	+14.0
Net assets	451.1	471.3	+20.2	+18.5
D/E ratio *1	1.25	1.29	+0.05	-
D/E ratio (Capital adjustment) *2	1.10	1.15	+0.05	-

◆ Cash flows [Compared with FY2022 1Q]

				(Billions of Yen)
	FY22 1Q	FY23 1Q	Difference	
Operating activities	21.6	(1.2)	-22.7	
Investing activities	(15.0)	(15.4)	-0.4	
Free cash flow	6.6	(16.6)	-23.2	
Financing activities	5.8	25.9	+20.1	
Net inc/dec in Cash & cash equivalents	12.3	9.2	-3.1	

◇ Changes in total assets

				(Billions of Yen)
	Mar. 31, 2023	Jun. 30, 2023	Difference	
Cash and deposits	142.8	152.2	+9.4	
Trade receivables *3	186.5	181.8	-4.7	
Inventory assets	196.7	215.3	+18.6	
Tangible and intangible assets	508.4	522.4	+14.0	
Investment securities	82.1	85.2	+3.1	
Others	125.9	145.9	+20.0	
Total assets	1,242.4	1,302.8	+60.4	

◇ BS exchange rate

	Mar. 31, 2023	Jun. 30, 2023
Yen/US\$	134	145
Yen/Euro	146	158

*1. D/E ratio = Interest-bearing debt / Total shareholders' equity (Gross)

*2. D/E ratio taking into account the equity credit of the subordinated bonds
(The Company issued subordinated bonds of 60.0 billion yen on July 21, 2021.)

*3. Including contract assets

2. Outlook for FY2023

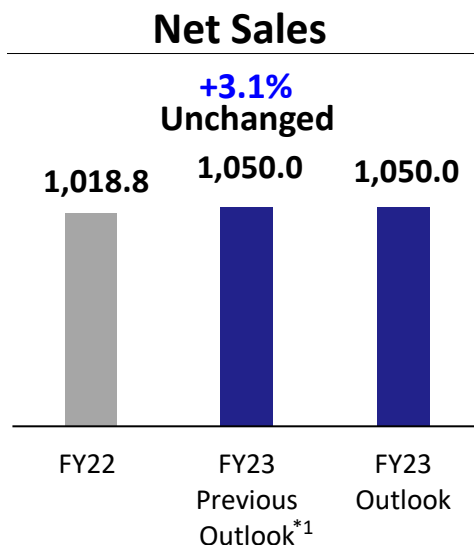
◆ Outlook highlights **[Compared with FY2022 and FY2023 previous outlook*1]**

[Operating income]

<Compared with FY2022> Operating income is forecast to increase due to favorable factors in the Materials Business Field, including improved productivity, additional selling price revisions, the appearance of the effects of profitability improvement measures in such forms as a production increase and sales growth, and the settlement of the previous year's temporary production problems, all of which will more than offset the impact of the market entry of generic alternatives on the Healthcare Business Field

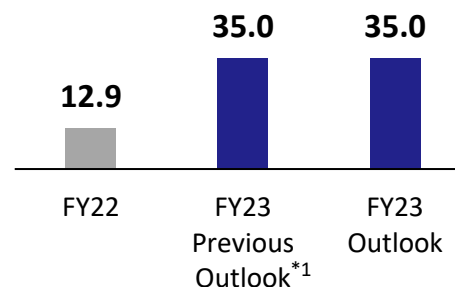
<Compared with previous FY2023 outlook*1> In Materials business, although stabilization of operations after recovery from plant equipment failures is expected to delay, material and fuel prices are expected to decline more than planned. Therefore, no changes have been made to the previous outlook

(Billions of Yen)
vs FY2022
vs FY2023
Previous Outlook*1



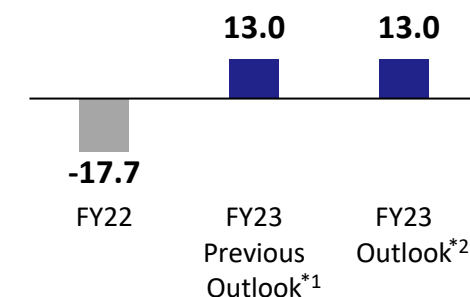
Operating Income

2.7 times
Unchanged



Profit Attributable to Owners of Parent

to turn profitable
Unchanged



Assumptions

		FY22	FY23 Previous Outlook*1	FY23 Outlook
Full-term average exchange rate	Yen/US\$	135	135	136
	Yen/Euro	141	140	150
An average Dubai crude oil price (US\$/barrel)		92	80	79
An average Europe natural gas price (Euro/MWh)		116	70	57

Dividend forecast for FY2023 (No changes made to the previous outlook*1)
Annual 30 yen/share

*1. Announced on May 11, 2023

*2. Including an extraordinary loss of approx. 6.4 billion yen as a result of the transfer of stock of the China composites business

◆ Summary of outlook for FY2023 highlights [Compared with FY2022 and FY2023 previous outlook*¹]

(Billions of Yen)

	FY22	FY23 Outlook* ²	Differ- ence	% Change	FY23 Previous Outlook* ¹
Net sales	1,018.8	1,050.0	+31.2	+3.1%	1,050.0
Operating income	12.9	35.0	+22.1	+172.1%	35.0
Ordinary income	9.1	31.0	+21.9	+240.7%	31.0
Profit attributable to owners of parent	(17.7)	13.0	+30.7	-	13.0
ROE* ³	(4.1%)	3%	+7%		3%
ROIC* ⁴	1.6%	4%	+3%		4%
EBITDA* ⁵	87.8	113.0	+25.2		113.0
Free cash flow	2.7	0.0	-2.7		0.0
CAPEX* ⁶	62.5	85.0	+22.5		85.0
Depreciation & Amortization	74.9	78.0	+3.1		78.0
R&D Expenses	31.9	33.0	+1.1		33.0
D/E ratio* ⁷	1.25	1.2	-0.0		1.2
D/E ratio (capital adjustment)* ⁸	1.10	1.1	+0.0		1.1

*1. Announced on May 11, 2023 *2. No changes made to the previous outlook

3. ROE= Profit attributable to owners of parent/ Average total shareholders' equity

4. ROIC based on operating income = Operating income / Average invested capital

(Invested capital = Net assets + Interest-bearing debt – Cash and deposits) *Average: ((Beginning balance + Ending balance) / 2)

*5. EBITDA = Operating income + Depreciation & amortization

*6. CAPEX includes investments in intangible assets (excludes M&A)








*7. D/E ratio = Interest-bearing debt / Total shareholders' equity (Gross)

*8. D/E ratio taking into account the equity credit of the subordinated bonds (The Company issued subordinated bonds of 60.0 billion yen on July 21, 2021.)

◆ Net sales and operating income by segment [Compared with FY2022 and FY2023 previous outlook*¹]

	(Billions of Yen)				FY23 Previous Outlook* ¹
	FY22* ²	FY23 Outlook* ³	Difference	% Change	
Net sales					
Materials	438.7	470.0	+31.3	+7.1%	470.0
Fibers & Products Converting	322.1	315.0	-7.1	-2.2%	315.0
Healthcare	150.6	140.0	-10.6	-7.1%	140.0
IT	58.0	65.0	+7.0	+12.0%	65.0
Others	49.4	60.0	+10.6	+21.5%	60.0
Total	1,018.8	1,050.0	+31.2	+3.1%	1,050.0

	(Billions of Yen)				FY23 Previous Outlook* ¹
	FY22	FY23 Outlook* ³	Difference	% Change	
Operating income (loss)					
Materials	(21.3)	11.0	+32.3	-	11.0
Fibers & Products Converting	9.7	10.0	+0.3	+3.4%	10.0
Healthcare	25.2	16.5	-8.7	-34.4%	16.5
IT	8.1	9.0	+0.9	+11.2%	9.0
Others	(1.5)	(3.5)	-2.0	-	(3.5)
Elimination and Corporate	(7.3)	(8.0)	-0.7	-	(8.0)
Total	12.9	35.0	+22.1	+172.1%	35.0

Segment	Trends and factors behind the operating income forecast	
	Compared with FY2022	Compared with previous FY2023 forecast* ¹
Consolidated	 <ul style="list-style-type: none"> Recovery of the Materials Business Field will make a significant contribution 	 <ul style="list-style-type: none"> No changes made to the previous outlook*¹
Materials	 <ul style="list-style-type: none"> The effects of profitability improvement measures will appear Recovery will be realized from some temporary negative factors, including the fire and the equipment breakdown 	
Fibers & Products Converting	 <ul style="list-style-type: none"> Japanese and overseas demand will remain firm in both the field of fiber materials and apparel and the field of industrial materials 	
Healthcare	 <ul style="list-style-type: none"> Operating income will be affected by a sales volume decrease due to the market entry of generic drugs as alternatives to <i>FEBURIC</i> 	
IT	 <ul style="list-style-type: none"> Operating income is forecast to increase due to firm sales in the Internet business field 	
Others	 <ul style="list-style-type: none"> The launch of a CDMO business will require upfront costs 	

*1. Announced on May 11, 2023

*2. From FY2023, organizations for new businesses in the “Materials” and “Healthcare” segments were transferred to the Group-wide “Others” segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

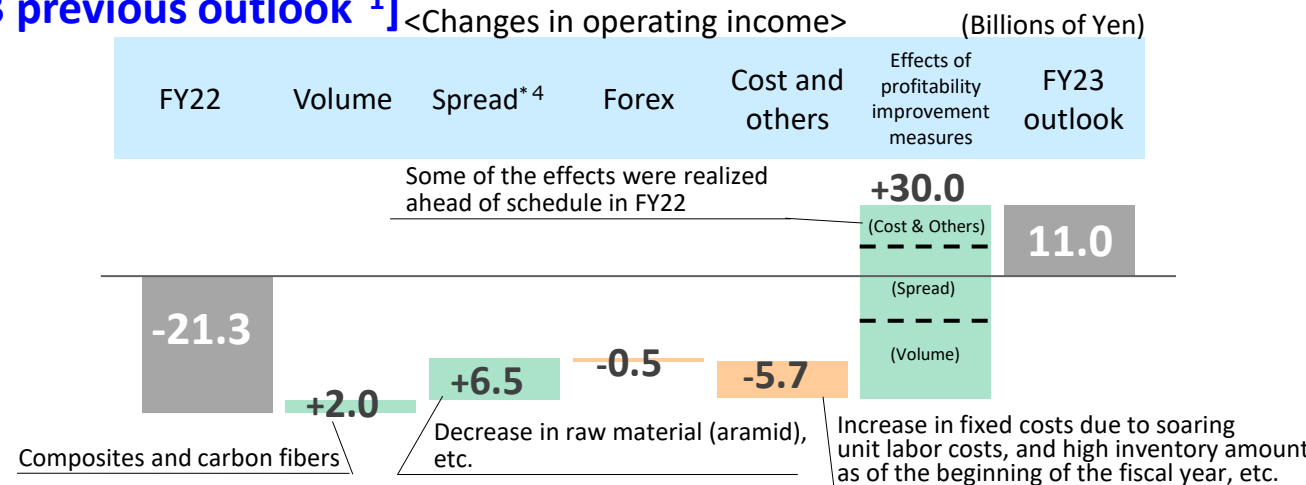
*3. No changes made to the previous outlook

◆ Materials Segment **[Compared with FY2022 and FY2023 previous outlook*1]**

*From the FY2023, operating income is used as a metric for comparison in place of EBITDA

(Billions of Yen)

	FY22 *2	FY23 Outlook *3	Difference	FY23 Previous Outlook *1
Net sales				
High-performance materials	274.8	290.0	+15.2	290.0
Composites	163.8	180.0	+16.2	180.0
Total	438.7	470.0	+31.3	470.0
EBITDA	14.7	48.0	+33.3	48.0
Depreciation & Amortization	36.0	37.0	+1.0	37.0
Operating income	(21.3)	11.0	+32.3	11.0
ROIC	(6%)	3%	+9%	3%



Subsegment	Trends and factors behind the operating income forecast	
	Compared with FY2022	Compared with previous FY2023 forecast*1
Aramid	<p>➡</p> <ul style="list-style-type: none"> Both production and sales will increase due to the removal of production restrictions and the realization of the effects of production facility expansion The impacts of the fire at a raw material plant will eliminate Material and fuel prices will drop 	<p>➡</p> <ul style="list-style-type: none"> Further material and fuel prices down
Resin	<p>➡</p> <ul style="list-style-type: none"> Sales volume will remain almost the same as last fiscal year due to continued low demand 	<p>➡</p> <ul style="list-style-type: none"> Economic recovery delay in China
Carbon fibers	<p>➡</p> <ul style="list-style-type: none"> The sales mix will improve due to a further recovery in aircraft demand Sales volume will increase due to the full operation of the new plant in North America 	<p>➡</p> <ul style="list-style-type: none"> No change
Composites	<p>➡</p> <ul style="list-style-type: none"> Profitability will improve as a result of renegotiation on prices, cost reduction measures, etc. Additional cost due to the impact of the equipment breakdown, which constituted a temporary factor behind decreased productivity, will be eliminated The impact of the labor shortage will reduce 	<p>➡</p> <ul style="list-style-type: none"> Operational stabilization delay after completion of damaged equipment refurbishment Decrease of sales volume for several programs

*1. Announced on May 11, 2023

*2. From FY2023, organizations for new businesses in the "Materials" segment were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

*3. No changes made to the previous outlook

*4. Sales price and mix + raw material and fuel cost

◆ Fibers & Products Converting Segment [Compared with FY2022 and FY2023 previous outlook*1]

	(Billions of Yen)			FY23 Previous Outlook*1
	FY22	FY23 Outlook*3	Difference	
Net sales	322.1	315.0	-7.1	315.0
EBITDA	16.6	17.0	+0.4	17.0
Depreciation & Amortization	6.9	7.0	+0.1	7.0
Operating income	9.7	10.0	+0.3	10.0
ROIC	7%	7%	+0%	7%

Trends and factors behind the operating income forecast	
Compared with FY2022	Compared with previous FY2023 forecast*1
→ <ul style="list-style-type: none"> (+) Industrial materials : Automotive market will recover, sales of polyester staple fibers for water treatment filters will grow (-) Fiber materials and apparel : Overseas market will be sluggish 	→ <ul style="list-style-type: none"> No change

◆ Healthcare Segment [Compared with FY2022 and FY2023 previous outlook*1]

	(Billions of Yen)			FY23 Previous Outlook*1
	FY22*2	FY23 Outlook*3	Difference	
Net sales	150.6	140.0	-10.6	140.0
EBITDA	51.0	42.5	-8.5	42.5
Depreciation & Amortization	25.9	26.0	+0.1	26.0
Operating income	25.2	16.5	-8.7	16.5
ROIC	14%	10%	-4%	10%

<Changes in operating profit>

(Billions of Yen)				FY23 outlook
FY22	Volume	Sales price and mix	Others	
25.2	-4.0	-2.0	-2.7	16.5

(-) Decreases in licensing income, etc.

(+) Decreases in SG&A expenses, R&D costs, etc.

(-) *FEBURIC*, etc.

Drug price revisions

(+) Medical devices, *OSTABALO*, etc.

Trends and factors behind the operating income forecast	
Compared with FY2022	Compared with previous FY2023 forecast*1
→ <ul style="list-style-type: none"> (-) Operating income will be affected by a sales volume decrease of <i>FEBURIC</i>, the pharmaceutical product, due to the market entry of generic drugs, and drug price revisions (-) Income will be affected by drug price revisions (-) Decrease in licensing income (+) Increase in sales of <i>OSTABALO</i>, a pharmaceutical product (+) Sales volume and the number of rented medical devices will increase 	→ <ul style="list-style-type: none"> No change

*1. Announced on May 11, 2023

*2. From FY2023, organizations for new businesses in the "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes.

*3. No changes made to the previous outlook

◆ IT Segment [Compared with FY2022 and FY2023 previous outlook*1]

(Billions of Yen)

	FY22	FY23 Outlook*3	Difference	FY23 Previous Outlook*1
Net sales	58.0	65.0	+7.0	65.0
EBITDA	8.8	10.0	+1.2	10.0
Depreciation & Amortization	0.7	1.0	+0.3	1.0
Operating income	8.1	9.0	+0.9	9.0
ROIC	53%	66%	+14%	66%

Trends and factors behind the operating income forecast			
Compared with FY2022		Compared with previous FY2023 forecast*1	
→	<ul style="list-style-type: none"> (+) Internet business field: Growth in e-comics services (+) Business solution field: Steady for both hospitals and enterprises 	→	• No change

◆ Others Segment [Compared with FY2022 and FY2023 previous outlook*1]

(Billions of Yen)

	FY22*2	FY23 Outlook*3	Difference	FY23 Previous Outlook*1
Net sales	49.4	60.0	+10.6	60.0
EBITDA	3.0	2.5	-0.5	2.5
Depreciation & Amortization	4.6	6.0	+1.4	6.0
Operating income	(1.5)	(3.5)	-2.0	(3.5)

Trends and factors behind the operating income forecast			
Compared with FY2022		Compared with previous FY2023 forecast*1	
→	<ul style="list-style-type: none"> (+) Field of the regenerative medicine business and the orthopedic implantable devices business: A sales increase at J-TEC, good sales of orthopedic implantable devices (±) Battery materials and membranes: Demand for separators will be firm (-) Field of the regenerative medicine business and the orthopedic implantable devices business: The launch of a CDMO business will require upfront costs 	→	• No change

*1. Announced on May 11, 2023

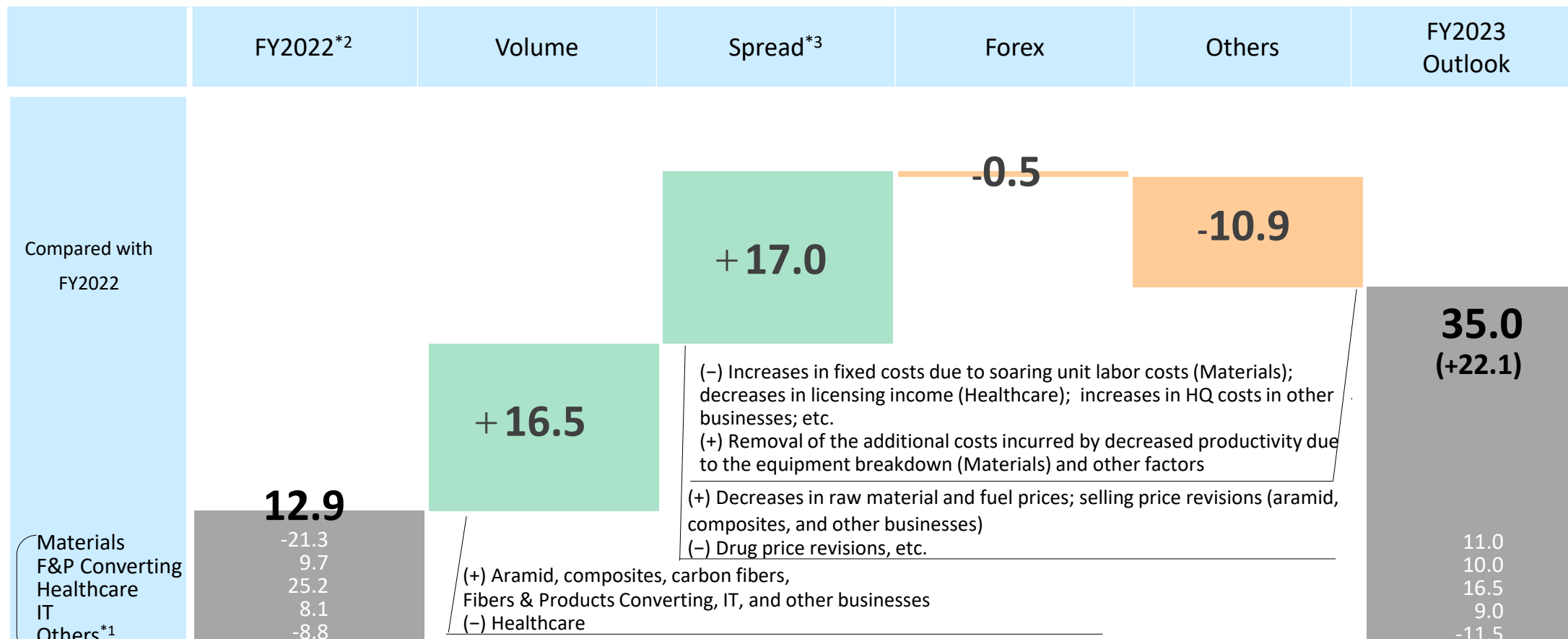
*2. From FY2023, organizations for new businesses in the "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

*3. No changes made to the previous outlook

Factors of changes in operating income outlook in FY2023 [Compared with FY2022]

* From the FY2023, operating income is used as a metric for comparison in place of EBITDA

- Operating income is forecast to increase due to favorable factors in the Materials Business Field, including improved productivity, additional selling price revisions, the realization of the effects of profitability improvement measures in such forms as a production increase and sales growth, and the settlement of the previous year's temporary production problems, all of which will more than offset the impact of the market entry of generic alternatives on the Healthcare Business Field



*1. "Others" denotes the total of "Others" and "Elimination and Corporate" *2. From FY2023, organizations for new businesses in the "Materials" and "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with

*3. Sales price and mix + raw material and fuel cost

the new segment categorization for comparison purposes

Teijin Decided to Withdraw from the China Composites Business

■ Reason for stock transfer

- Teijin has been concentrating resources into the implementation of profitability improvement measures at the base in North America as a key region
- We have also been considering selecting and concentrating facilities in other bases (Europe, China, and Japan)
- As a result of the consideration, we decided to transfer the stock of the Chinese business
- We therefore will withdraw from its automotive composites business in China

■ Outline of the Chinese base

Name: Teijin Automotive Technologies (Tangshan) Co., Ltd.

Location: Tangshan, Hebei Province, China

Shareholder composition – Teijin (China) Investment Co., Ltd.: 53%; Teijin Automotive Technologies, Inc.: 47%

Operating results for FY2022 – Net sales: approx. 3.7 billion yen; operating loss: approx. 2.0 billion yen

■ Outline of the transferee

Name: Qingdao Keda Times Intelligent Equipment Co., Ltd

Location: Qingdao, Shandong Province, China

Business: R&D, production, and sales of high-performance composites

■ Schedule

Signing of share transfer agreement: Scheduled for August 2023

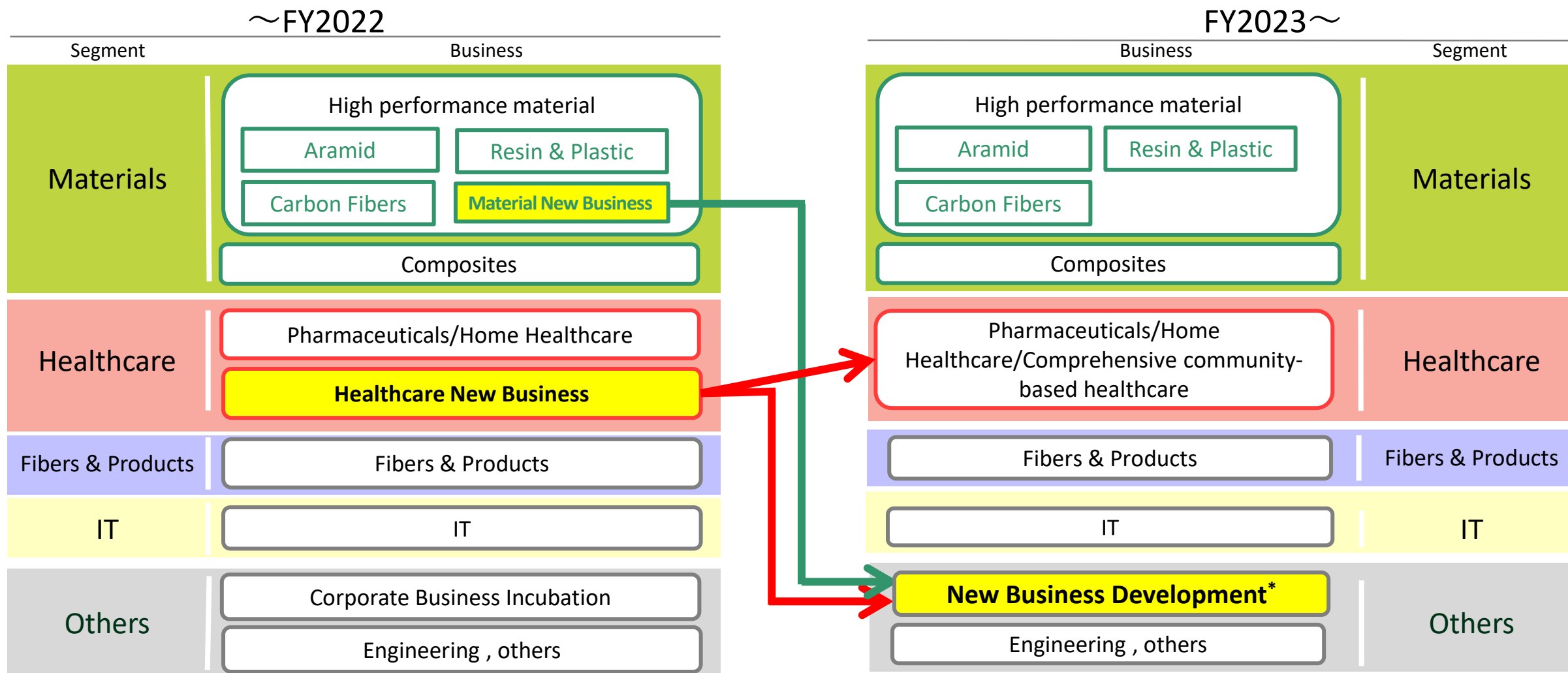
Share transfer execution: Scheduled for March 2024, to be executed as soon as approvals from the relevant authorities are obtained

■ Accounting overview

An extraordinary loss of approx. 6.4 billion yen will be recorded in the FY2023 consolidated financial results (already included in the FY2023 outlook)

CHANGES IN REPORTABLE SEGMENTS

Reportable operating segments have been changed as shown below to establish a structure whereby the corporate organization creates both new businesses as future investment targets and innovations through inter-business co-creation in a Group-wide manner. (New businesses in the Materials and Healthcare Business Fields have been integrated with the Corporate Business Incubation Division to form a New Business Development Unit.)



*Regenerative Medicine & Implantable Medical Devices, Battery materials & Membrane, Biolier & Nutraceutical, Environmental Solution, etc.

Factors that affect income statement regularly

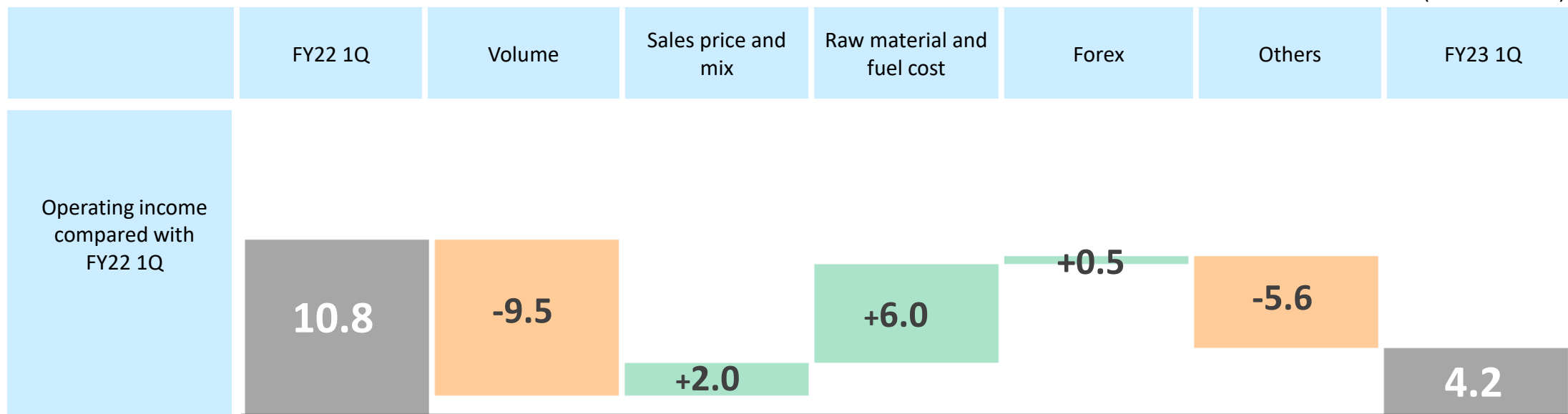
Segment	Major factor
Materials	<ul style="list-style-type: none"> • Aramid: large-scale periodic maintenance performed every three years (The next maintenance of this kind is postponed from FY2024 1Q to FY2025 1Q) • Resin: periodic maintenance in 2Q & 3Q every year
Fibers & Products Converting	<ul style="list-style-type: none"> • Fiber materials and apparel: 3Q is a season for sales of autumn/winter closing, and 4Q for spring closing
Healthcare	<ul style="list-style-type: none"> • Cost increase in 4Q
IT	<ul style="list-style-type: none"> • Delivery increase in 2Q and 4Q due to system acceptance period

◆ Changes in operating income (consolidated total) [Compared with FY2022 1Q]

(Billions of Yen)

	FY22 1Q	FY23 1Q	Difference	% change
Net sales	243.8	244.8	+1.0	+0.4%
EBITDA	29.2	23.8	-5.5	-18.8%
Depreciation & Amortization	18.5	19.5	+1.1	+5.8%
Operating income	10.8	4.2	-6.6	-60.8%
ROIC	5.2%	1.9%	-3.2%	-

(Billions of Yen)



◆ Changes in net sales and operating income by segment [Compared with FY2022 1Q and FY2022 4Q]

(Billions of Yen)

	1Q	2Q	FY22*		Total	FY23	Difference	Difference
	Apr.-Jun.	Jul.-Sep.	3Q	4Q		1Q	23/1Q	23/1Q
	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.		Apr.-Jun.	-22/1Q	-22/4Q
Net sales								
High-performance materials	66.5	74.7	67.2	66.5	274.8	60.8	-5.6	-5.7
Composites	37.5	44.0	41.6	40.8	163.8	45.0	+7.5	+4.2
Materials Total	103.9	118.6	108.8	107.3	438.7	105.8	+1.9	-1.5
Fibers & Products Converting	73.7	84.9	82.2	81.4	322.1	75.6	+1.9	-5.8
Healthcare	43.1	34.8	36.1	36.6	150.6	35.8	-7.4	-0.8
IT	12.9	14.4	14.3	16.4	58.0	16.2	+3.3	-0.3
Others	10.2	13.9	13.2	12.0	49.4	11.5	+1.3	-0.5
Total	243.8	266.6	254.6	253.7	1,018.8	244.8	+1.0	-8.8
Operating income (loss)								
Materials	(0.8)	(5.0)	(8.0)	(7.5)	(21.3)	(2.0)	-1.3	+5.5
Fibers & Products Converting	1.8	3.3	2.8	1.8	9.7	3.1	+1.4	+1.4
Healthcare	11.1	4.2	5.6	4.2	25.2	4.8	-6.4	+0.5
IT	1.5	2.0	1.9	2.7	8.1	1.8	+0.3	-0.8
Others	(1.2)	0.5	0.1	(0.9)	(1.5)	(1.1)	+0.1	-0.1
Elimination and Corporate	(1.7)	(1.5)	(1.8)	(2.2)	(7.3)	(2.4)	-0.7	-0.2
Total	10.8	3.5	0.6	(2.0)	12.9	4.2	-6.6	+6.2

* From FY2023, organizations for new businesses in the "Materials" and "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

◆ Consolidated statements of income

(Billions of Yen)

	FY22				FY23
	1Q	2Q	3Q	4Q	1Q
	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.
Net Sales	243.8	266.6	254.6	253.7	244.8
Cost of sales	174.9	204.0	196.8	194.9	179.8
Gross profit	68.9	62.6	57.8	58.8	65.1
SG&A	58.1	59.2	57.2	60.7	60.9
Operating income	10.8	3.5	0.6	(2.0)	4.2
Non-operating items, net	3.5	2.2	(3.1)	(6.4)	0.8
(Equity in earnings and losses of affiliates)	1.2	1.3	1.3	(5.0)	(0.5)
Ordinary income	14.3	5.7	(2.5)	(8.4)	5.0
Extraordinary items (net)	0.2	(0.4)	(8.1)	(2.3)	2.3
Income before income taxes	14.5	5.3	(10.6)	(10.6)	7.3
Income taxes	6.7	4.3	3.9	(0.6)	4.8
Profit attributable to non-controlling interests	0.5	0.7	0.0	0.6	0.6
Profit attributable to owners of parent	7.3	0.3	(14.6)	(10.6)	1.9

◆ Consolidated balance sheets

(Billions of Yen)

	FY22				FY23
	Jun. 30, 2022	Sep. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023
Total assets					
Current assets	603.0	633.1	608.8	613.3	654.2
Fixed assets	662.3	672.0	630.2	629.1	648.6
Total	1,265.3	1,305.1	1,239.0	1,242.4	1,302.8
Total liabilities and net assets					
Liabilities	785.4	822.2	786.3	791.3	831.5
[Interest-bearing debt]	517.8	544.7	523.6	529.4	576.4
Net assets	479.9	482.9	452.7	451.1	471.3
Total	1,265.3	1,305.1	1,239.0	1,242.4	1,302.8

◆ Key financial indicators by segment

[Compared with FY2022 and FY2023 previous outlook*1]

	(Billions of Yen)			FY23 Previous Outlook*1
	FY22*2	FY23 Outlook*3	Difference	
ROIC*4				
Materials	(6%)	3%	+9%	3%
Fibers & Products Converting	7%	7%	+0%	7%
Healthcare	14%	10%	-4%	10%
IT	53%	66%	+14%	66%
Total	1.6%	4%	+3%	4%

◆ Historical financial indicators

	FY18	FY19	FY20	FY21	FY22	FY23
	Actual	Actual	Actual	Actual	Actual	Outlook
ROE*5	11.2%	6.3%	(1.7%)	5.5%	(4.1%)	3%
ROIC*4	9.3%	8.7%	8.6%	5.5%	1.6%	4%
EBITDA*6 (Billions of Yen)	107.6	107.2	106.8	113.0	87.8	113.0
Earnings per share (Yen)	232.4	131.6	(34.7)	120.6	(92.0)	67.6
Dividends per share (Yen)	70*	60	50	55	40	30
*Including a commemorative dividend of 10 yen per share for our founding centennial						
Total assets (Billions of Yen)	1,020.7	1,004.2	1,041.1	1,207.6	1,242.4	1,280.0
Interest-bearing debt (Billions of Yen)	369.2	381.9	380.0	485.2	529.4	545.0
D/E ratio*7	0.90	0.97	0.94	1.10	1.25	1.2
D/E ratio (capital adjustment)*8	-	-	-	0.97	1.10	1.1
Shareholders' equity ratio	40.2%	39.3%	39.0%	36.4%	34.2%	34%

*1. Announced on May 11, 2023

*2. From FY2023, organizations for new businesses in the "Materials" and "Healthcare" segments were transferred to the Group-wide "Others" segment. Therefore, the figures for FY2022 are those recalculated in accordance with the new segment categorization for comparison purposes

*3. No changes made to the previous outlook

4. ROIC based on operating income = Operating income / Average invested capital
(Net assets + Interest-bearing debt – Cash and deposits)

*Average: ([Beginning balance + Ending balance] / 2)

5. ROE= Profit attributable to owners of parent / Average total shareholders' equity *6. EBITDA = Operating income + Depreciation & amortization

*7. D/E ratio = Interest-bearing debt / Total shareholders' equity (Gross)

*8. D/E ratio taking into account the equity credit of the subordinated bonds (The Company issued subordinated bonds of 60.0 billion yen on July 21, 2021.)

◆ Sales of principal pharmaceuticals in Japan

(Billions of Yen)

Product	Target disease	FY2022				FY2023	
		1Q	2Q	3Q	4Q	Total	1Q
Total sales of four diabetes treatments		6.9	6.2	6.7	5.0	24.8	6.3
<i>Nesina</i> [®]	Type 2 Diabetes	3.4	3.1	3.3	2.5	12.2	3.1
<i>Inisync</i> [®]	Type 2 Diabetes (combination drug)	2.0	1.8	2.0	1.5	7.4	1.9
<i>Liovel</i> [®]	Type 2 Diabetes (combination drug)	1.0	0.9	0.9	0.6	3.4	0.8
<i>Zafatek</i> [®]	Type 2 Diabetes	0.5	0.5	0.4	0.3	1.7	0.5
<i>FEBURIC</i> [®]	Gout and hyperuricemia	8.7	1.7	2.3	1.8	14.5	2.0
<i>Bonalon</i> ^{®*1}	Osteoporosis	1.8	1.8	1.8	1.5	6.9	1.6
<i>Somatuline</i> ^{®*2}	Acromegaly and pituitary gigantism, thyroid stimulating hormone-secreting pituitary tumors, and gastroenteropancreatic neuroendocrine tumors	1.4	1.4	1.5	1.4	5.7	1.5
<i>Venilon</i> [®]	Severe infection	1.0	1.1	1.2	1.1	4.4	1.4
<i>LOQQA</i> [®]	osteoarthritis pain and inflammation	0.5	0.5	0.5	0.4	1.9	0.5
<i>XEOMIN</i> ^{®*3}	Upper and lower limb spasticity	0.4	0.4	0.5	0.5	1.8	0.5
<i>Mucosolvan</i> [®]	Expectorant	0.4	0.4	0.5	0.4	1.8	0.4

*1. *Bonalon*[®] is the registered trademark of Merck Sharp & Dohme Corp., U.S.A.*3. *Xeomin*[®] is the registered trademark of Merz Pharma GmbH & Co. KGaA, Germany*2. *Somatuline*[®] is the registered trademark of Ipsen Pharma, France.

◆ Non-financial Information : ESG External Evaluation

Selected as a component stock of all five ESG indices of GPIF



**FTSE Blossom
Japan Index**

2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



2023 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX



**FTSE Blossom
Japan Sector
Relative Index**

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