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Flash Report  
*Results of FY2020 & Outlook for FY2021*

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Teijin Limited  
May 11, 2021

# The Impact of COVID-19 on Teijin Group Results (Sales)

The Group achieved a steady recovery, as predicted in the Feb 2021 outlook\*

\* Announced on February 8, 2021

Quarterly	Impact on results (vs previous quarter)	Specific impacts
1Q (Apr.–Jun.)	Sharp decline vs. outlook announced at the beginning of the term (May 2020)	<ul style="list-style-type: none"> <li>Although Tier 1 automotive business in North America was largely impacted by a significant decrease in production at OEMs initially, it showed signs of recovery in the second half of the quarter</li> <li>In materials-related businesses closer to the upstream, there was demand to secure inventory in the supply chain in the first half of the quarter, so the emergence of impact was delayed to the second half</li> </ul>
2Q (Jul.–Sep.)	Rapid recovery	<ul style="list-style-type: none"> <li>The Tier 1 automotive business in North America rapidly recovered</li> <li>Demand for products for aircraft applications further declined</li> <li>Medical protective equipment (gowns, etc.) contributed significantly to business performance</li> </ul>
3Q (Oct.–Dec.)	<p>[Compared with the forecasts announced in 2Q]</p> <p>The recovery trend has become slightly stronger than expected</p>	<ul style="list-style-type: none"> <li>Recovery trends, mainly for automobiles, continued</li> <li>Aircraft demand remained weak</li> <li>Medical protective equipment (gowns, etc.) made only a limited contribution to business performance</li> </ul>
4Q (Jan.–Mar.)	<p>[Compared with the forecasts announced in 3Q]</p> <p>Steady recovery as predicted</p>	<ul style="list-style-type: none"> <li>Overall recovery trends continued, mainly in products for automotive applications</li> <li>Aircraft demand remained weak</li> <li>Medical protective equipment (including gowns) made only a small contribution to business performance</li> </ul>

## Trends in main markets in FY2020 and outlook for FY2021

Markets	Main businesses	Areas	FY2020	Outlook for FY2021
Automotive	Aramid Composites	Europe US	Recovery trends continued, with a rapid recovery in the U.S. SUV and pickup-truck market in 2Q, as well as a recovery beginning in Europe in 2Q	Although the FY2019 level will not be reached, the recovery will continue <sup>*1</sup>
Aircraft	Carbon fibers	Europe US	Aircraft demand declined drastically	Despite continuously sluggish aircraft demand, a recovery trend will emerge <sup>*2</sup>
Healthcare	Pharmaceuticals Home healthcare New healthcare	Japan	Sales of the main pharmaceutical products and the home healthcare equipment rental services remained firm	Sales will remain firm mainly due to contribution of diabetes products despite drug price revisions <sup>*2</sup>
Medical protective equipment (gowns, etc.)	Fibers & Products Converting	Japan	The Group provided a large supply for the medical field to urgently fulfill unmet needs in the early stage of the pandemic, resulting in the needs being almost met in 3Q	Governmental demand converged
IT	IT	Japan	Demand for e-comics expands due to the growth of the stay-at-home economy	Expansion trends will continue. Impact from pirated sites became apparent in FY20 4Q but will go down in FY21 1H <sup>*2</sup>

## Key Points for this report

### ■ Business Performance for FY2020

- Even amid the COVID-19 pandemic, EBITDA remained at the same level as in FY2019, and operating income was 54.9 billion yen, a decrease of only 2.0% year on year
  - Fibers & Products Converting Business's supply of medical protective equipment (gowns, etc.) and the strong performance of the IT Business contributed to the Group's business results
  - Healthcare Business Field produced acceptable results despite the impact of drug price revisions
  - Materials Business Field was affected by reduced demand for products mainly for automotive and aircraft applications
- Profit attributable to owners of parent was -6.7 billion yen mainly due to the recording of impairment losses on fixed assets owned by the carbon fibers business in anticipation of a predicted long-term decline in aircraft demand
- Despite the loss for FY2020, the annual dividend will be 50 yen, a decrease of only 10 yen year on year

### ■ Outlook for FY2021 and dividend

- In anticipation of a recovery from the impact of the COVID-19 pandemic and the effects of major investments, it is forecast that EBITDA will drastically increase year on year and that operating income will also increase by 9% year on year to 60.0 billion yen
- Net sales, operating income, and profit attributable to owners of parent are expected to exceed the pre-COVID-19 FY2019 levels
- Reflecting the predicted profit growth from the previous fiscal year, the annual dividend target is 55 yen per share, an increase of 5 yen (dividend payout ratio: 30%)

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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

This material is based on the consolidated results for FY2020 announced at 11:30 A.M. on May 11, 2021 (local time in Japan).

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# 1. Results of FY2020

◆ FY2020 actual highlights [Compared with FY2019]

- Net sales and operating income slightly declined mainly due to reduced demand for products for automotive and aircraft applications in Materials Business Field and the impact of drug price revisions on Healthcare Business Field, despite the increased supply of medical protective equipment (gowns, etc.) in the Fibers & Products Converting Business contributing to the business results, as well as sales growth in the IT Business
- Profit attributable to owners of parent turned negative mainly due to impairment losses on the carbon fibers business's fixed assets

(Billions of Yen)

Net Sales

Operating Income

Profit Attributable to  
Owners of Parent

Dividends per share

[vs FY2019]

-2.0%

-2.3%

Turned negative

-10yen

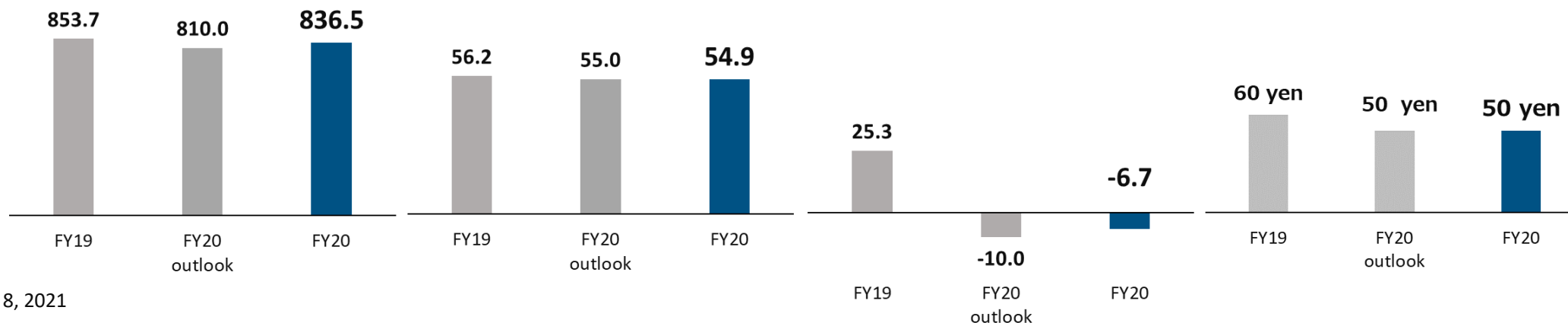
[vs FY2020 outlook\*]

+3.3%

-0.1%

Reduced losses

Unchanged



\* Announced on February 8, 2021

## ◆ Operating results [Compared with FY2019]

	(Billions of Yen)			
	FY19	FY20	Difference	% Change
Net Sales	853.7	836.5	-17.2	-2.0%
Operating Income	56.2	54.9	-1.3	-2.3%
Non-operating Items (Net)	(1.9)	(1.3)	+0.6	-
Ordinary Income	54.3	53.7	-0.7	-1.2%
Extraordinary Items (Net)	(12.8)	(44.3)	-31.5	-
Income Before Income Taxes	41.6	9.4	-32.2	-77.5%
Profit Attributable to Owners of Parent	25.3	(6.7)	-31.9	-

ROE <sup>*1</sup>	6.3%	-1.7%	-7.9%
ROIC <sup>*2</sup>	8.7%	8.6%	-0.1%
EBITDA <sup>*3</sup>	107.2	106.8	-0.4

\*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)

	(Billions of Yen)			
	FY19	FY20	Difference	% Change
CAPEX <sup>*4</sup>	68.6	60.3	-8.3	-12.1%
Depreciation & Amortization	51.0	51.8	+0.9	+1.7%
R&D Expenses	34.5	32.7	-1.8	-5.1%

Dividend for FY2020 : No changes from the outlook <sup>\*5</sup>

Interim 25 yen/share Year-end 25 yen/share Annual 50 yen/share  
(FY2019: Interim 30 yen/share Year-end 30 yen/share Annual 60 yen/share)

## ◇ Exchange rate &amp; Oil price

		FY19	FY20
PL exchange rate	JPY / USD	109	106
	JPY / EUR	121	124
An average Dubai crude oil price (USD/barrel)		60	44

\*3 EBITDA = Operating income + Depreciation & amortization

\*4 CAPEX includes investments in intangible assets (excludes goodwill)

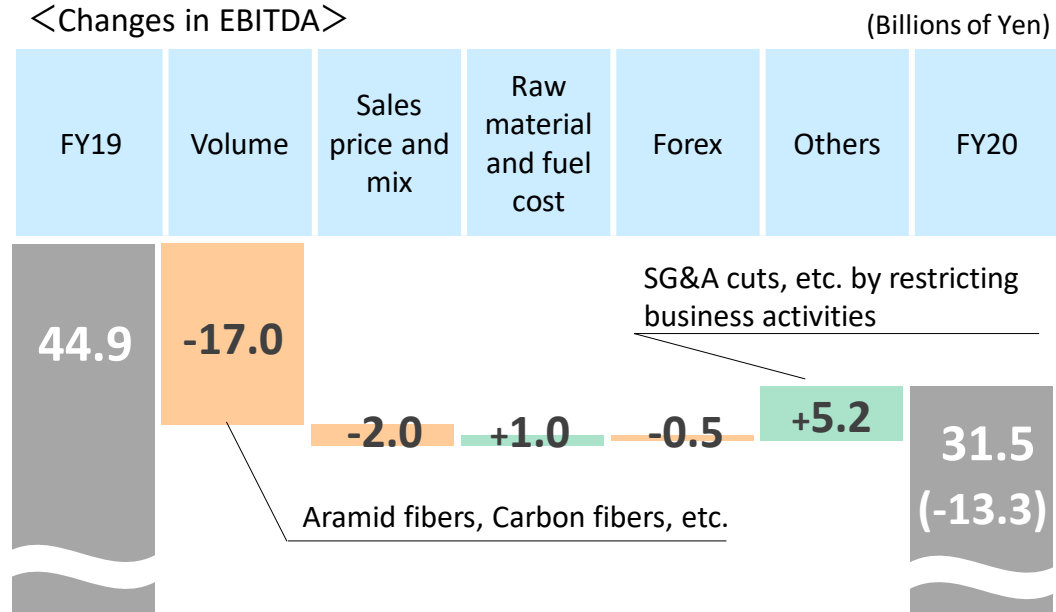
\*5 Announced on February 8, 2021



## ◆ Materials Segment [Compared with FY2019]

	(Billions of Yen)			
	FY19	FY20	Difference	% change
Net sales	327.5	297.0	-30.6	-9.3%
EBITDA	44.9	31.5	-13.3	-29.7%
Depreciation & Amortization	29.0	30.6	+1.6	+5.4%
Operating income	15.8	1.0	-14.9	-94.0%
ROIC	5%	0%	-5%	

### <Changes in EBITDA>



## COVID-19 outbreak significantly impacted businesses

- **Aramid fibers**
  - Despite a decline in sales of products for all applications, including tire reinforcing material, friction material, and other automotive applications, as well as optical fibers, sales later improved in line with the recovery in the relevant markets
- **Polycarbonate resin**
  - With a sales recovery from the second half of the term, annual sales remained at the same level as in the previous term
  - Under the impact of a sharp rise in the market price of BPA, a key raw material, from the second half of the term, selling price revision is under way
- **Carbon fibers**
  - Since the sales volume for aircraft applications had significantly decreased, greater efforts were focused on sales for wind power generation and recreation applications
  - Continued efforts were made to develop intermediate materials and prepare to start commercial production of the new carbon fiber plant in North America
- **Composites**
  - Despite being affected by a significant decrease in OEM production at the beginning of the term, the production and sales of automotive parts at CSP\* improved remarkably due to the quick recovery in the U.S. automotive market, especially for SUVs and pickup trucks
  - CSP has been adopting measures to improve the employee retention rate, which is an issue raised amid the company's recovering plant operations

In each business area, SG&A and other expenses were cut by restricting business activities

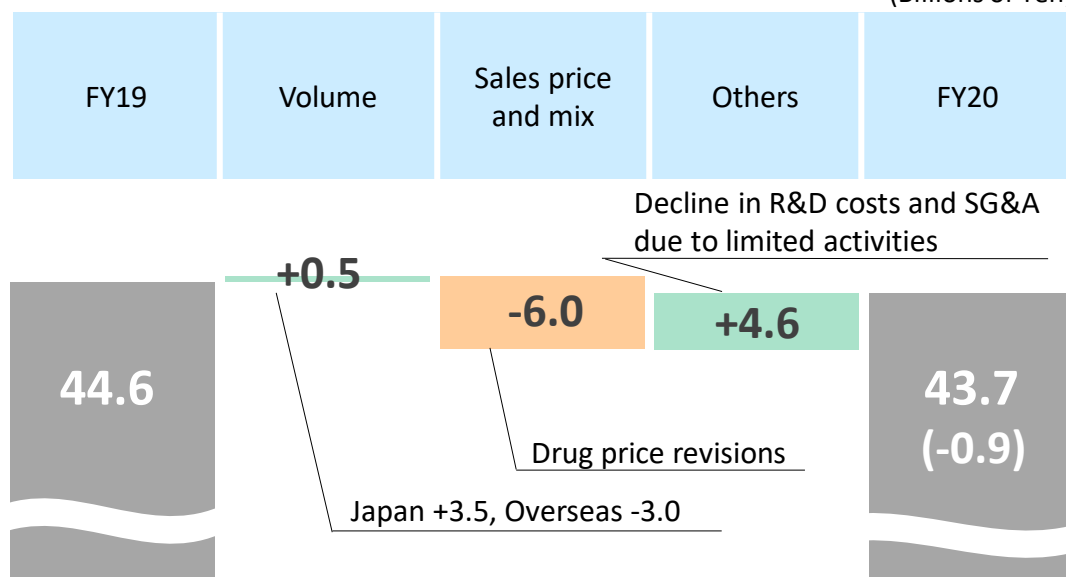
## ◆ Healthcare Segment [Compared with FY2019]

(Billions of Yen)

	FY19	FY20	Difference	% change
Net sales	153.9	148.7	-5.3	-3.4%
EBITDA	44.6	43.7	-0.9	-2.0%
Depreciation & Amortization	12.0	12.2	+0.2	+1.3%
Operating income	32.6	31.5	-1.0	-3.2%
ROIC	41%	41%	-0%	

## &lt;Changes in EBITDA&gt;

(Billions of Yen)



## COVID-19 outbreak slightly impacted businesses

## ■ Pharmaceuticals

-Sales, mainly for the hyperuricemia and gout treatment *FEBURIC*, were impacted by drug price revisions in April 2020 in Japan

-Sales volume of *FEBURIC* and *Somatuline*\*, a treatment for acromegaly, pituitary gigantism, and neuroendocrine tumors, expanded steadily

\* *Somatuline*® is the registered trademark of Ipsen Pharma, France.

## ■ Home healthcare

-In the home oxygen therapy (HOT) market, the increased number of patients choosing to use home healthcare services to avoid in-hospital COVID-19 infection and the more widespread use of portable oxygen concentrators resulted in a growth in the number of rented units of HOT equipment

-In the market for CPAP devices used to treat sleep apnea syndrome (SAS), the market segment consisting of medical practitioners has been growing, with the number of rented CPAP devices continuously increasing, despite a decline in the number of patients hospitalized for examination and the slowed expansion of the overall market amid the COVID-19 pandemic. In addition, the relaxation of requirements in medical fee calculation for remote monitoring led an increased number of medical institutions to introduce *NemLink*, a medical treatment support tool

## ■ New healthcare

-Despite the reduced number of orthopedic implantable devices sold, including artificial joints and absorbable osteosynthesis materials, due to the COVID-19 pandemic at the beginning of the term, the number of surgical operations recovered and sales of new products grew from the second quarter

## ◆ Fibers &amp; Products Converting Segment [Compared with FY2019]

	(Billions of Yen)			
	FY19	FY20	Difference	% change
Net sales	306.3	314.9	+8.6	+2.8%
EBITDA	12.4	23.9	+11.5	+93.0%
Depreciation & Amortization	7.0	6.4	-0.6	-8.4%
Operating income	5.4	17.5	+12.1	+223.3%
ROIC	4%	14%	+10%	

## ◆ IT Segment [Compared with FY2019]

	(Billions of Yen)			
	FY19	FY20	Difference	% change
Net sales	48.6	58.1	+9.5	+19.6%
EBITDA	8.7	11.3	+2.6	+30.5%
Depreciation & Amortization	0.8	0.9	+0.1	+8.3%
Operating income	7.8	10.4	+2.6	+32.9%
ROIC	49%	66%	+17%	

## ■ Fibers &amp; Products Converting

- Early supply, in large-scale, of medical protective equipment (gowns, etc.) for healthcare professionals, which saw a surge in demand due to the spread of COVID-19, contributed to operating results largely
- Sales of masks with improved infection-control functions and short polyester fibers for water treatment use remained strong
- Sales of automotive parts started showing a clear recovery trend in the second half of the term
- Despite sluggish sales of textiles and heavy clothing, sales of clothes of the kind that satisfied stay-at-home demand were robust
- SG&A expenses decreased through limited activities and cost cutting efforts

## ■ IT

- Despite the impact of the COVID-19 pandemic on the business solution field especially in terms of services for medical institutions, sales of e-comics services in the digital entertainment field remained strong against the background of an increased e-comics readership

## ■ Others

- The Teijin Group brought Japan Tissue Engineering Co., Ltd. ("J-TEC"), a company listed on the Tokyo Stock Exchange's JASDAQ Growth market, under its umbrella as a subsidiary through a TOB and record it in balance sheet at the end of the term

## ◆ Non-operating items [Compared with FY2019]

	(Billions of Yen)		
	FY19	FY20	Difference
Interest income	0.9	0.7	-0.2
Dividends income	1.4	1.3	-0.1
Equity in earnings of affiliates	2.0	2.5	+0.6
Foreign exchange gains	1.1	-	-1.1
Gain on valuation of derivatives	0.0	2.3	+2.3
Others	1.3	1.5	+0.2
Non-operating income, total	6.8	8.3	+1.5
Interest expenses	3.7	2.8	-0.9
Foreign exchange losses	-	3.6	+3.6
Loss on valuation of derivatives	2.2	-	-2.2
Loss on investments in partnership	0.3	1.0	+0.7
Others	2.5	2.1	-0.3
Non-operating expenses, total	8.7	9.6	+0.9
Non-operating items, total	(1.9)	(1.3)	+0.6

## ◆ Extraordinary items [Compared with FY2019]

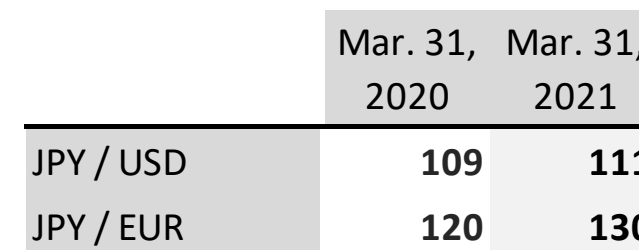
	(Billions of Yen)		
	FY19	FY20	Difference
Gain on sales of noncurrent assets	0.2	1.8	+1.7
Gain on sales of investment securities	6.0	2.6	-3.4
Gain on step acquisitions	-	2.0	+2.0
Others	0.5	0.0	-0.5
Extraordinary income, total	6.7	6.5	-0.2
Loss on sales and retirement of noncurrent assets	2.7	2.2	-0.5
Loss on valuation of investment securities	0.1	1.0	+0.9
Impairment loss	11.0	44.1*	+33.1
Business structure improvement expenses	4.2	0.1	-4.1
Others	1.4	3.4	+1.9
Extraordinary loss, total	19.5	50.8	+31.3
Extraordinary items, total	(12.8)	(44.3)	-31.5

\* Impairment loss on fixed assets of carbon fiber business 39.2 billion yen, etc.

◆ Cash flows [Compared with FY2019]

	(Billions of Yen)		
	FY19	FY20	Difference
Operating activities	94.2	107.7	+13.5
Investing activities	(67.9)	(79.6)	-11.7
Free cash flow	26.3	28.1	+1.9
Financing activities	(10.4)	(18.0)	-7.5
Net inc/dec in Cash & cash equivalents	15.9	10.2	-5.7

◇ BS exchange rate



\*2 Increase in market value of shares held, etc.

## 2. Outlook for FY2021 and Medium-Term Management Plan

## FY2020 (first year of MTP)

- Profit targets in the Materials Business, mainly in the carbon fibers business, were revised under the severe impact of the COVID-19 pandemic especially in the first half of the term
- No change was made to the materiality (challenges Teijin is determined to tackle) amid trends toward a green recovery and a new normal
- Maintaining the direction of the Medium-Term Management Plan, the Group made investments suitable in the period for creating growth platforms toward sustainable growth

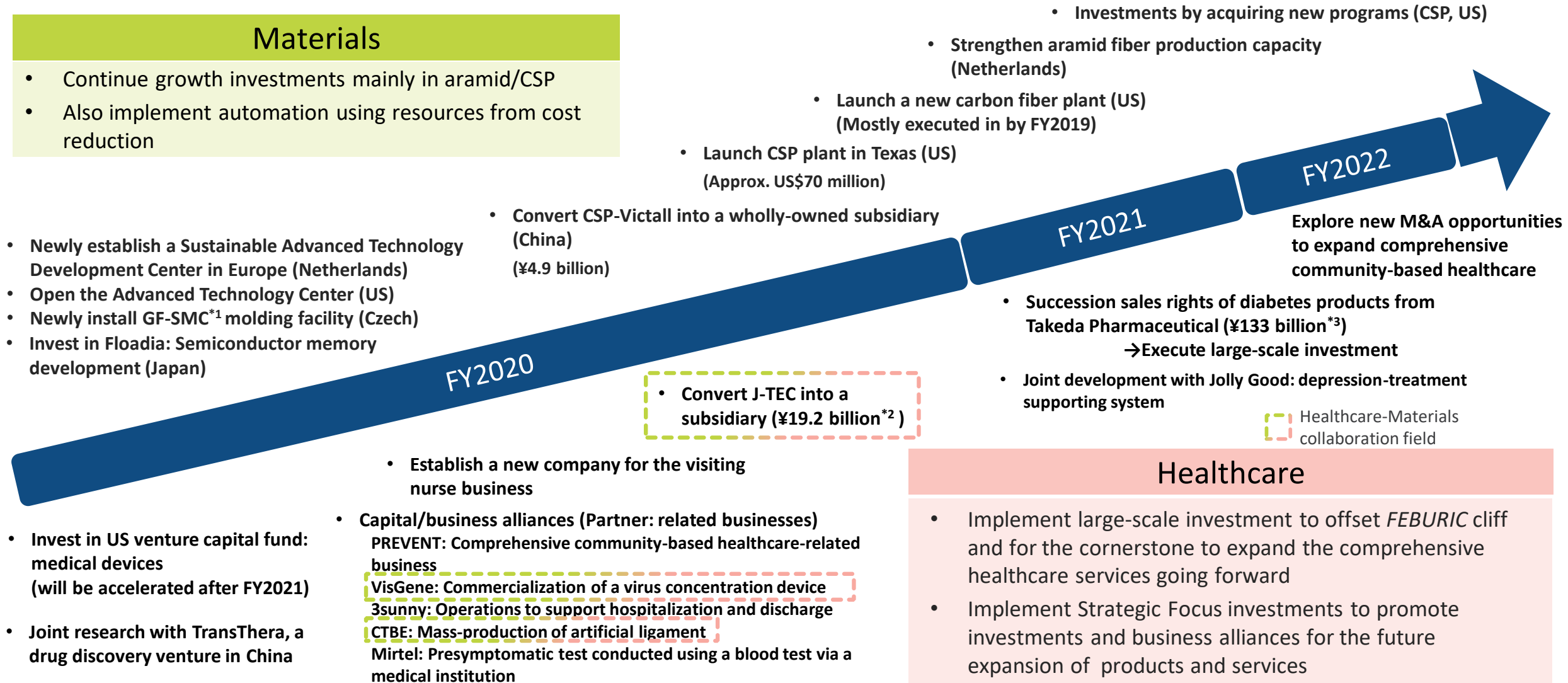
## FY2021 (second year of MTP)

- The economy is expected to recover to the FY2019 level because of the spread of vaccinations and other factors despite continued uncertainty about the future due to subsequent waves of COVID-19 infection
- The Materials Business and the Fibers & Products Converting Business will continue to recover from the impact of the COVID-19 pandemic, while the Healthcare Business and the IT Business will remain firm
- The Group will continue to make growth investment, aiming to achieve the medium-/long- term goals



# Implementing Aggressive Investment in Three Solutions and Strategic Focus-related Fields

## Materials



\*1 GF-SMC : Glass Fiber-Sheet Molding Compound

\*2 Tender offer price

\*3 Transfer price (including transfer price of product inventory)



## ◆ Succession of Takeda Pharmaceutical's sales of diabetes products

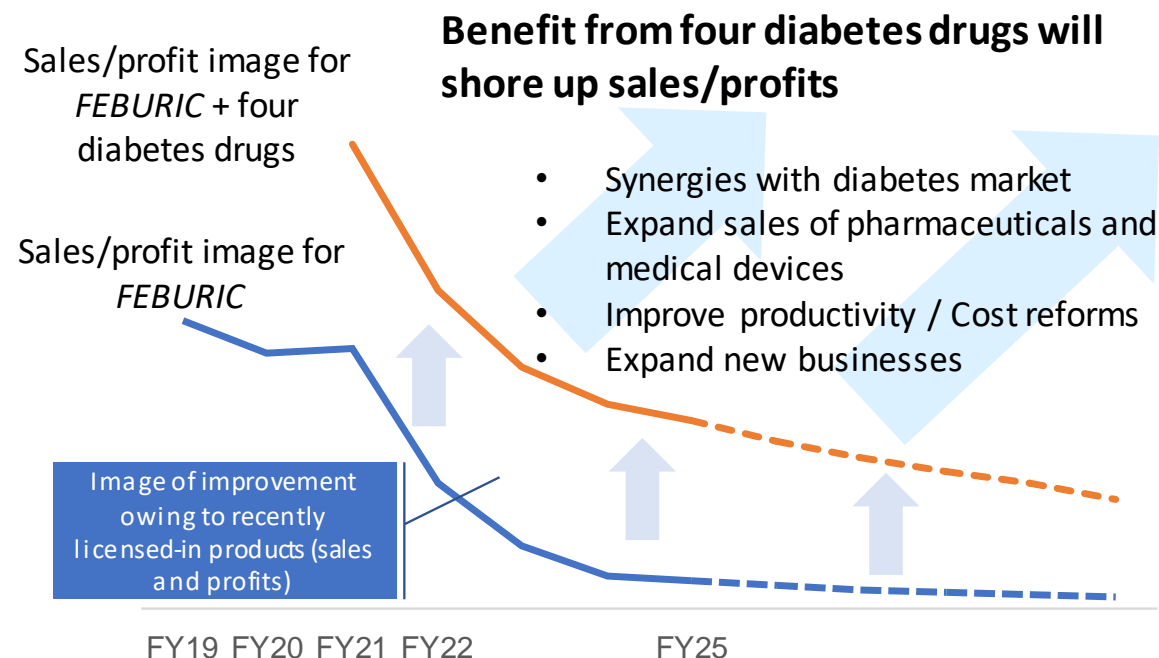
### Asset transfer contract outline

Contracting party	Takeda Pharmaceutical Company Limited Teijin Limited Teijin Pharma Limited
Contract outline	Transfer of sales of target products in Japan Succession of license for intellectual property rights such as patents and approval for manufacturing and sales
Execution of asset transfer agreement	February 26, 2021
Asset transfer execution	April 1, 2021
Transfer price of Products	133 billion yen (Excluding tax, including transfer price of product inventory)

### Target products overview

(DPP-4 inhibitor for type 2 diabetes and its combination drug)

Products	<b>Nesina® tablets</b> 6.25mg, 12.5mg, 25mg (Launched in June 2010) <b>Liovel® combination tablets</b> HD, LD (Launched in September 2011) <b>Inisync® combination tablets</b> (Launched in November 2016) <b>Zafatek® tablets</b> 25mg, 50mg, 100mg (Launched in March 2015, launched in December 2019(25mg))
Positioning of target products	Oral hypoglycemic agents and their combinations that enhance the action of substances that promote insulin secretion Drugs used to treat patients with type 2 diabetes at home and abroad
Total sales of the Products in Japan	Approx. 30.8 billion yen (FY2019, total of 4 drugs)



- Teijin Pharma started the sales of the products on April 1, 2021
- Expected effects
  - ✓ Synergy in sales targeting *FEBURIC* users
  - ✓ Synergy with pharmaceuticals and home healthcare devices (including CPAP devices and HOT equipment) for diabetic complications (such as osteoporosis, sleep apnea, and heart failure)
  - ✓ Accelerated expansion of initiatives to prevent diseases and their development in the comprehensive community-based healthcare strategy
  - ✓ Structural reforms toward stable profits

## ◆ Convert J-TEC into a subsidiary

### Overview of the Target Company

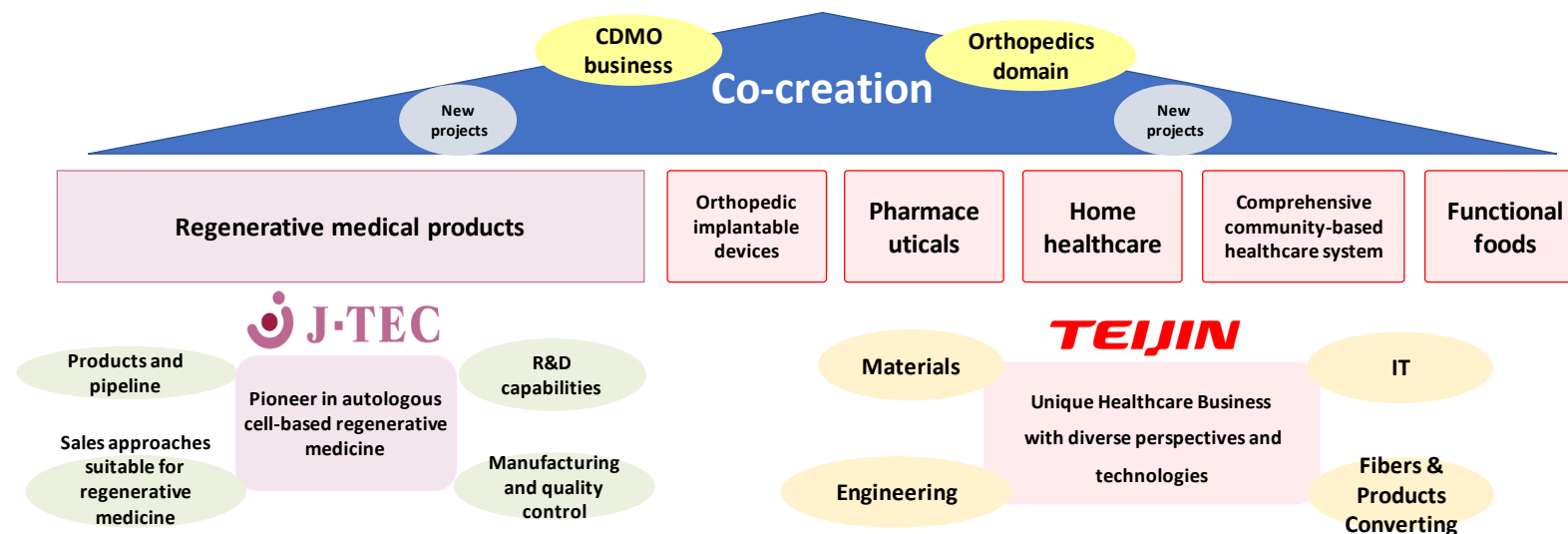
Year of Foundation	1999
Main Business	1. Regenerative Medicine Business Main products: Autologous Cultured Epidermis JACE® Autologous Cultured Cartilage JACC® 2. Custom Development & Manufacturing Business 3. R&D Support Business
Headquarters	Gamagori, Aichi
Net Sales	2.3 billion yen (FY2020)
Operating Income	▲0.5 billion yen (FY2020)
Number of Employees	Approx. 200 (as of Sept. 30, 2020)

### Result of the Tender Offer

Listed Market	TSE JASDAQ Growth (stock code: 7774)
Period	Feb. 1, 2021 to Mar. 2, 2021
Purchase Price	820 yen per share
Shares to be purchased	57.72 % (23,439,173 shares)
Tender Offer Price	19.2 billion yen
Status	✓ Teijin executed a tender offer agreement with FUJIFILM Corporation, the parent company of J-TEC (ownership percentage:50.13%) ✓ J-TEC's Board of Directors agreed to the Tender Offer and Teijin executed a capital and business alliance agreement with J-TEC

## Our Goal

Provide safe and efficient healthcare services with a high level of customer satisfaction through a wide lineup of medical treatment solutions tailored to the health condition and needs of every single patient



- We aim to expand our regenerative medicine business\* by utilizing Teijin's technological and business foundations in Healthcare and Materials Businesses and engineering capabilities
- We established a Corporate Business Incubation Section to foster areas for co-creation through business operations within the corporate organization
- The two companies will deliberate to formulate a business plan

\* Business that manufactures and sells regenerative medical products \*\*

\*\* Tissue (including skin, cartilage and cornea), cell therapy and gene therapy (including CAR-T cell therapy), covered by healthcare insurance

# FY2021 Short-Term Management Plan Basic Policy

We will tackle major challenges to be solved to create growth platforms toward sustainable growth, and pave the way for growth exceeding the pre-COVID-19 level and achievement of the targets set in MTP

## 1. Strategic Focus

Materials

Healthcare

- Expand automotive composites business and improve profitability
- Continuing to develop carbon fiber intermediate materials for aircraft
- Establishing foundation of new businesses (food, comprehensive community-based healthcare-related businesses, and creation of innovative medical treatments)
- Promoting initiatives to maximize the synergy effects of major investments

## 2. Profitable Growth

Materials

Healthcare

- Establishing our position as a leader by increasing our aramid fiber production capacity and sales
- Implementing measures to improve profit in response to reduced demand for aircraft applications in the carbon fibers business
- Building an integrated community-based sales system through multidisciplinary sales teams
- Expanding sales of our main products and services including diabetes products and facilitating the development of new products

## 3. Solutions for environmental issues/ Innovation

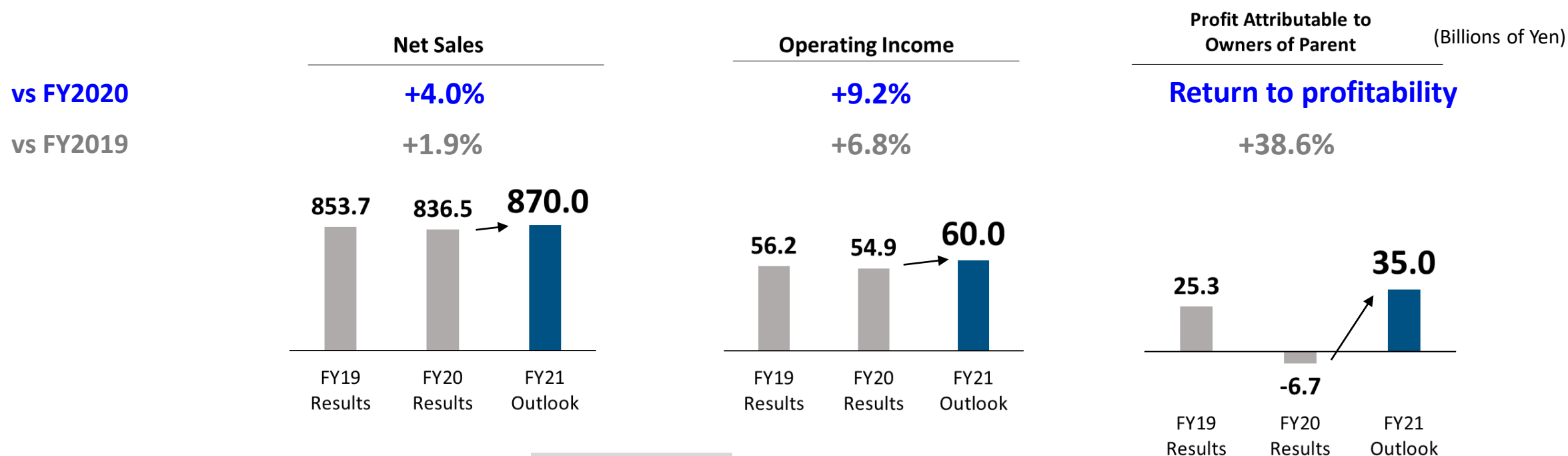
Environmental contribution

Accelerate innovation

- Mitigating climate change by providing a wider range of environmental value solutions
- Contributing to the realization of a circular economy by utilizing Teijin's materials and technologies
- Devoting further efforts to creating innovations through organizational reform, co-creation, and the promotion of DX and D&I

◆ Outlook highlights **[Compared with FY2020 and FY2019]**

- Sales and profit are forecast to increase year on year due to recovery from the impact of the COVID-19 pandemic mainly in products for automotive applications in Materials Business Field, a sales increase in *FEBURIC* and CPAP devices and the contribution of diabetes products taken over from Takeda in Healthcare Business Field
- Net sales, operating income, and profit attributable to owners of parent are expected to exceed the pre-COVID-19 FY2019 levels



Assumptions

		FY20 Actual	FY21 Outlook
Full-term average exchange rate	JPY / USD	106	105
	JPY / EUR	124	125
An average Dubai crude oil price (USD/barrel)		44	60

Dividend forecast for FY2021 :

Interim 27.5 yen/share Year-end 27.5 yen/share Annual 55 yen/share  
 (FY2020 : Interim 25 yen/share Year-end 25 yen/share Annual 50 yen/share)

◆ Summary of outlook for FY2020 highlights **[Compared with FY2020 and FY2019]**

(Billions of Yen)	FY20	FY21 Outlook	Differ- ence (vs FY20)	% Change	FY19	Differ- ence (vs FY19)	% Change
Net sales	836.5	870.0 <sup>*5</sup>	+33.5	+4.0%	853.7	+16.3	+1.9%
Operating income	54.9	60.0	+5.1	+9.2%	56.2	+3.8	+6.8%
Ordinary income	53.7	60.0	+6.3	+11.8%	54.3	+5.7	+10.4%
Profit attributable to owners of parent	(6.7)	35.0	+41.7	-	25.3	+9.7	+38.6%
ROE <sup>*1</sup>	-1.7%	8%	+10%		6%	+2%	
ROIC <sup>*2</sup>	8.6%	7% <sup>*6</sup>	-2%		9%	-2%	
EBITDA <sup>*3</sup>	106.8	130.0	+23.2		107.2	+22.8	
Free cash flow	28.1	(130.0) <sup>*7</sup>	-158.1		26.3	-156.3	
CAPEX <sup>*4</sup>	60.3	210.0 <sup>*7</sup>	+149.7		68.6	+141.4	
Depreciation & Amortization	51.8	70.0	+18.2		51.0	+19.0	
R&D Expenses	32.7	34.0	+1.3		34.5	-0.5	

\*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]

\*3 EBITDA = Operating income + Depreciation &amp; amortization

\*4 CAPEX includes investments in intangible assets (excludes goodwill) (includes the sales rights for the diabetes products 132.2 billion yen)

\*5 Includes a decrease due to the application of the new standards for revenue recognition under Japan GAAP

\*6 The invested capital at the beginning of the outlook for FY2021 includes an increase due to the succession of sales rights of diabetes products

\*7 Including an increase in intangible fixed assets (132.2 billion yen) due to the sales rights for diabetes products and other related assets taken over

## ◆ Net sales and operating income by segment [Compared with FY2020]

(Billions of Yen)

	FY19	FY20	FY21 Outlook	Difference (vs FY20)	% Change
Net sales					
High-performance materials	236.4	210.4	230.0	+19.6	+9.3%
Composites	91.2	86.6	110.0	+23.4	+27.1%
Materials Total	327.5	297.0	340.0	+43.0	+14.5%
Healthcare	153.9	148.7	180.0	+31.3	+21.1%
Fibers & Products Converting	306.3	314.9	265.0*	-49.9	-15.8%
IT	48.6	58.1	65.0	+6.9	+11.9%
Others	17.4	17.8	20.0	+2.2	+12.1%
<b>Total</b>	<b>853.7</b>	<b>836.5</b>	<b>870.0</b>	<b>+33.5</b>	<b>+4.0%</b>
Operating income (loss)					
Materials	15.8	1.0	11.0	+10.0	-
Healthcare	32.6	31.5	40.0	+8.5	+26.9%
Fibers & Products Converting	5.4	17.5	7.0	-10.5	-60.0%
IT	7.8	10.4	10.0	-0.4	-3.9%
Others	0.3	(0.2)	(2.0)	-1.8	-
Elimination and Corporate	(5.8)	(5.2)	(6.0)	-0.8	-
<b>Total</b>	<b>56.2</b>	<b>54.9</b>	<b>60.0</b>	<b>+5.1</b>	<b>+9.2%</b>

## ■ Materials

Carbon fibers will take time to recover, but other business areas are forecast to recover significantly

## - Aramid

- Sales will recover mainly in products for automotive applications
- Large-scale periodic maintenance is scheduled / The goodwill was completely amortized by FY2020

## - Resin and Plastic Processing

- Sales of value-added products will increase
- Selling prices will be revised in response to the rise in raw material prices

## - Carbon fibers

- We will focus our efforts on products for applications in high demand
- Preparations for launching new plant in North America continue

## - Composites

- Sales of products for SUV and pickup-truck applications will remain strong
- We will continue to strive to increase our productivity and make the necessary capital investments

## ■ Healthcare

Forecast to continue to perform well for existing products in pharmaceuticals and home healthcare and realize the effects of large-scale investment

## - Pharmaceutical and home healthcare

- The sales volumes of *FEBURIC* and CPAP devices will increase
- Drug price revisions will have some impacts
- Diabetes products will contribute to our performance

## - New healthcare business

- Despite sales growth, we will continue our efforts to ensure the profitability of our products and services

## ■ Fibers &amp; Products Converting

- There will be a reverse reaction from the profit earned from medical gowns in the previous fiscal year
- We will increase our basic profitability through cost-focused structural reforms

## ■ IT

- E-comics sales will remain strong
- The scheduled head-office relocation will incur costs

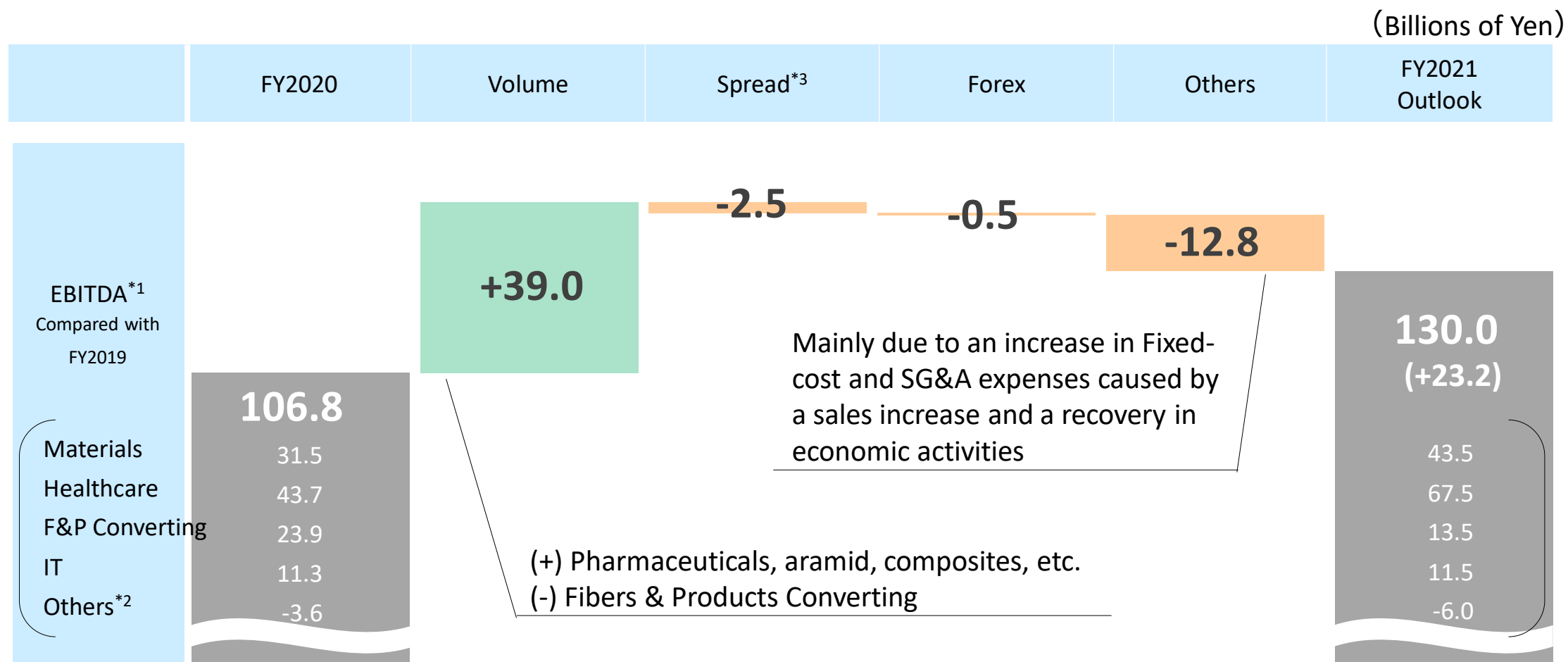
## ■ Others

- A loss, including the amortization of J-TEC's goodwill, will begin to be recorded

\* Includes a decrease due to the application of the new standards for revenue recognition under Japan GAAP

## Factors of changes in EBITDA forecast in FY2021 [Compared with FY2020]

- EBITDA will drastically increase mainly due to a recovery in demand for products for automotive applications in the Material Business, and the contribution of diabetes products to the business performance of the Healthcare Business



\*1 EBITDA = Operating income + Depreciation & amortization

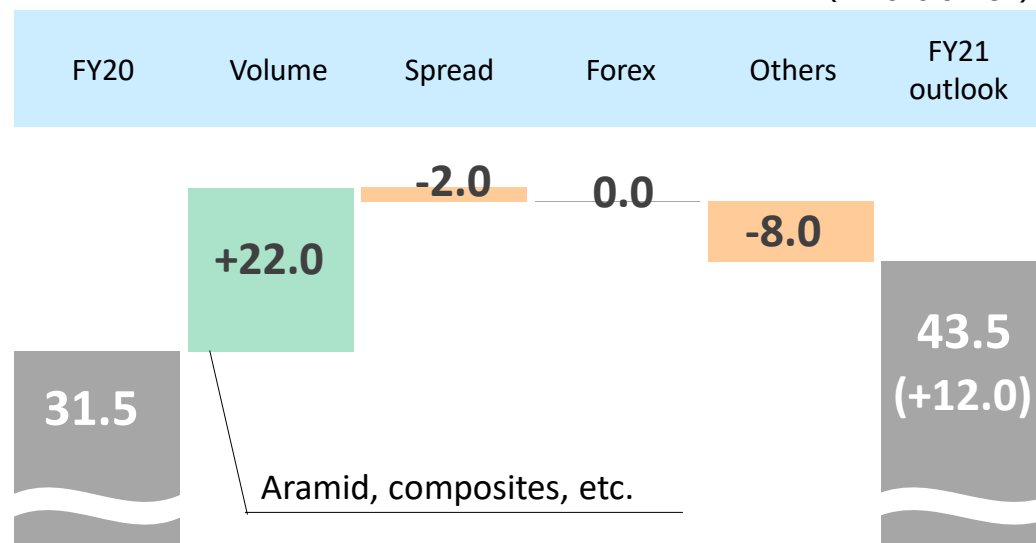
\*2 "Others" denotes the total of "Others" and "Elimination and Corporate"

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

## Factors of changes in EBITDA forecast in FY2021 [Compared with FY2020]

### Materials

(Billions of Yen)



#### - Volume

Increase in each area (aramid, resin and plastic processing, carbon fibers, and composites) due to demand recovery

#### - Spread

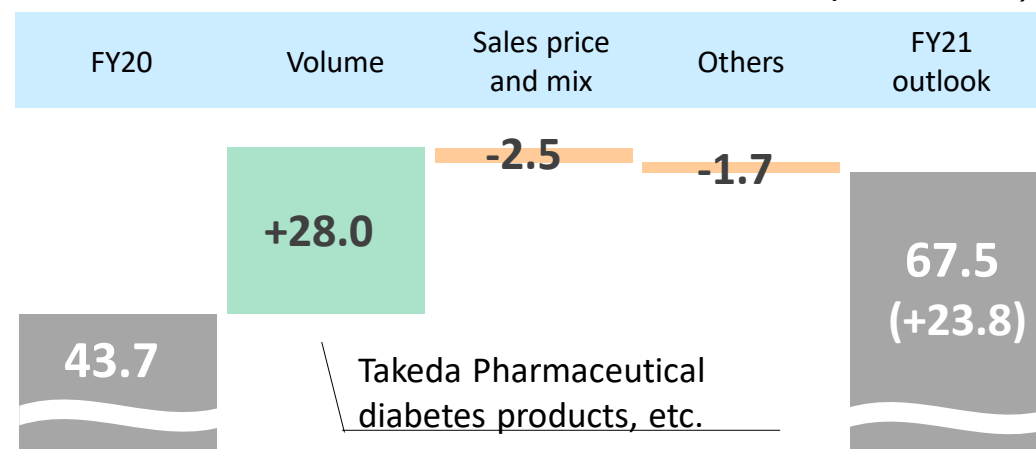
Differences in sales price and mix are expected to decrease due to deterioration of the sales mix of aramid, etc., and the prices of raw materials and fuels are expected to rise in each field

#### - Others

Increase in fixed costs and SG&A expenses due to a sales increase and a recovery in economic activities

### Healthcare

(Billions of Yen)



#### - Volume

Increase in each area (pharmaceuticals [including diabetes products], home healthcare, and new healthcare business)

#### - Sales price and mix

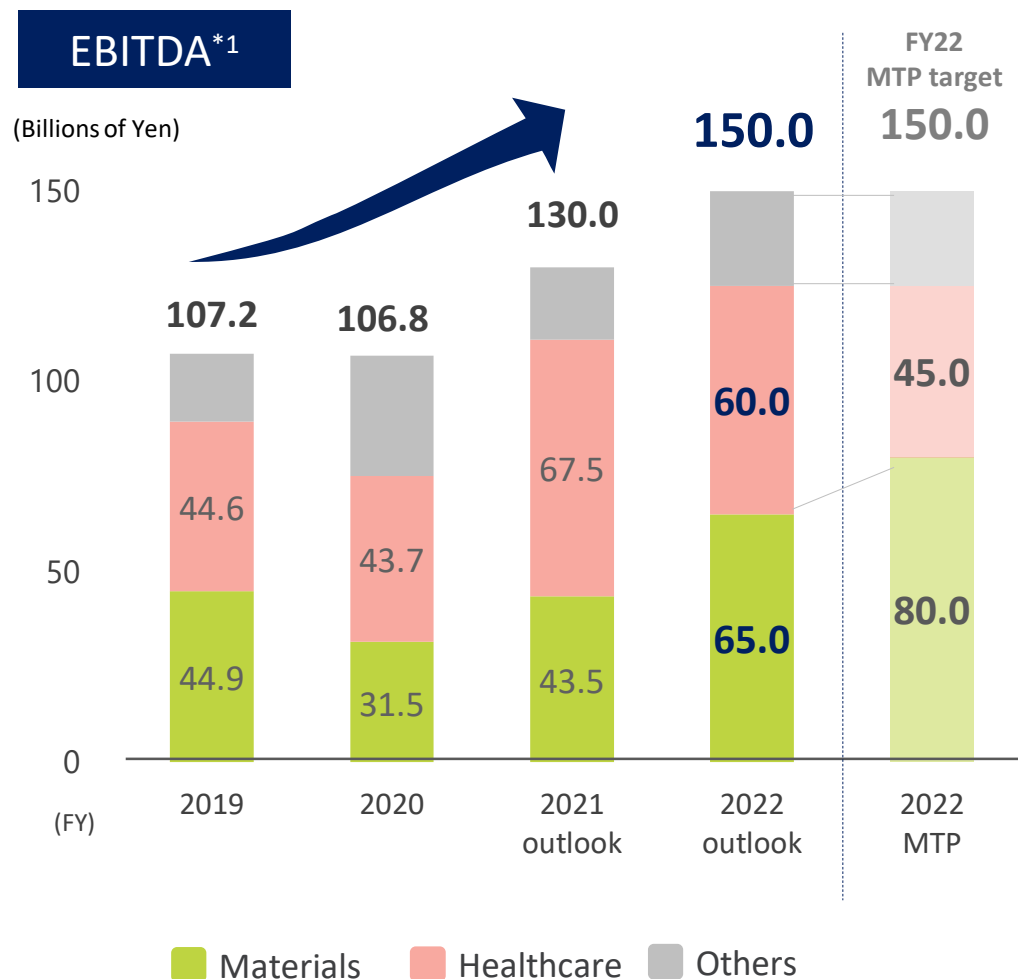
Decline due to the impact of drug price revisions

#### - Others

A rise in SG&A expenses due to a sales volume increase, as well as upfront investments and other factors



- ◆ **Financial KPI**
- While EBITDA for FY2020 remained at the pre-COVID-19 FY2019 level, EBITDA for FY2021 will dramatically increase from the FY2019 level due to major investments
  - We will continue to aim for our FY2022 targets:  
EBITDA of 150.0 billion yen, ROE of 10% or more, and ROIC based on operating income, of 8% or more
  - Due to changes in our business environment, we have revised our forecast of each business's contribution to EBITDA for FY2022



**Healthcare Outlook for FY2022 60.0 billion yen (MTP 45.0 billion yen)**

The revision reflects the expected significant contribution of the sales rights for diabetes products we took over from Takeda

**Materials Outlook for FY2022 65.0 billion yen (MTP 80.0 billion yen)**

The revision reflects delays in the plans of certain businesses, including the carbon fibers business, due to the COVID-19 pandemic

	FY2019	FY2020	FY2021 outlook	FY2022 MTP target	
<b>ROE*<sup>2</sup></b>	6.3%	-1.7%	8%	10%+	No change
<b>ROIC (based on operating income)*<sup>3</sup></b>	8.7%	8.6%	7%* <sup>4</sup>	8%+	No change

\*1 EBITDA = Operating income + Depreciation & amortization

\*2 ROE= Profit attributable to owners of parent / Average\* total shareholders' equity

\*3 ROIC based on operating income = Operating income / Average\* invested capital  
(Invested capital = Net assets + Interest-bearing debt - Cash and deposits)

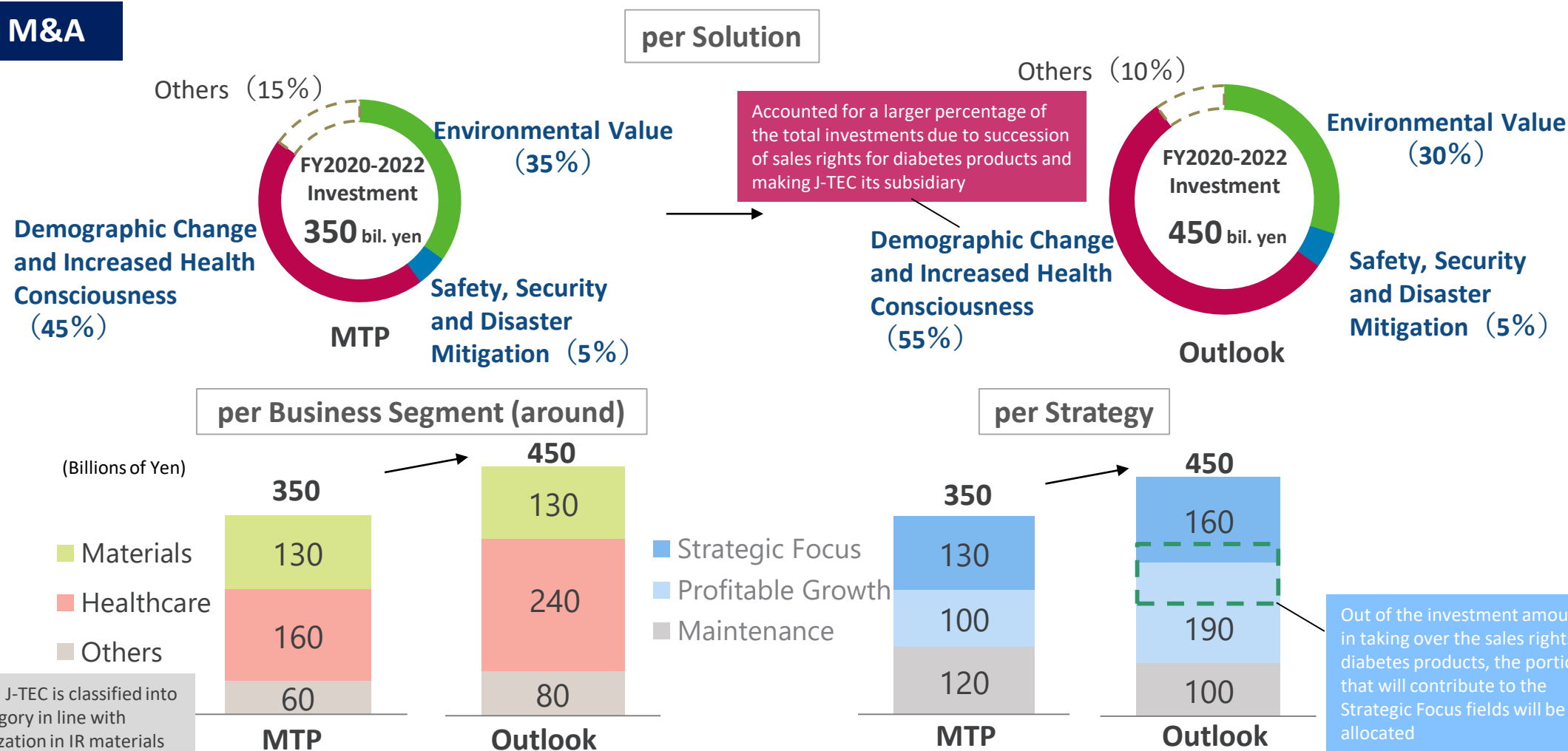
\*Average: ([Beginning balance + Ending balance] / 2)

\*4 The invested capital at the beginning of the outlook for FY2021 includes an increase due to the succession of sales of diabetes products

## ◆ Investment policy

- **Our policy of aggressively investing in the Strategic Focus fields remains unchanged**
- To achieve our EBITDA target, we will increase our investment amount from MTP target of 350 billion yen to 450 billion yen
- Our financial health will deteriorate temporarily by borrowing for increased investments, but we aim to improve quickly to a level of “D/E ratio of 0.9 around”

## Capex + M&amp;A



## ◆ Shareholder Return Policy

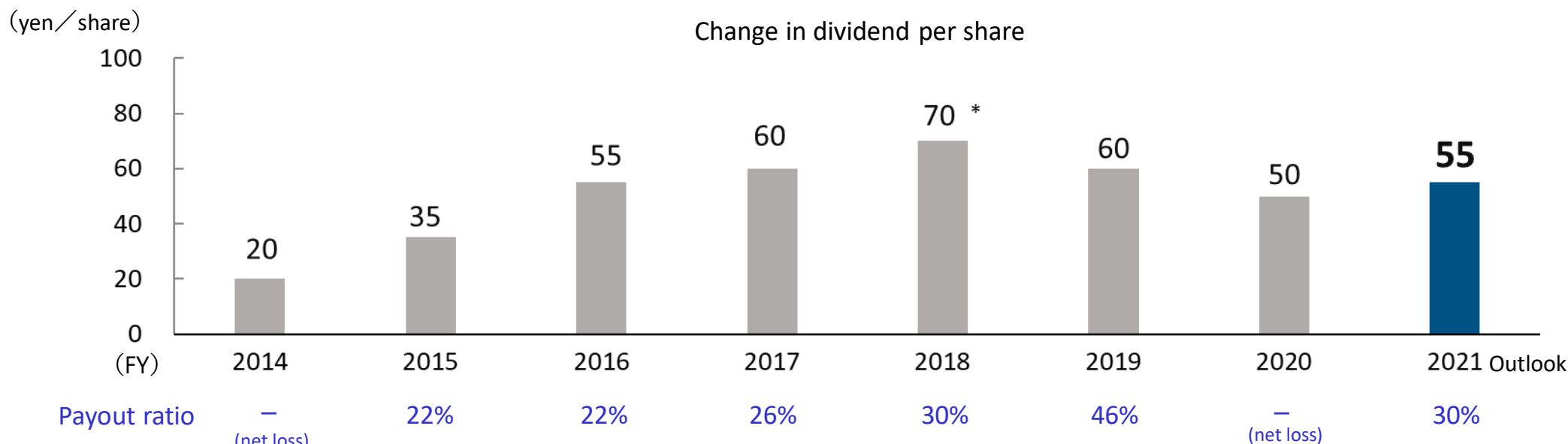
Prioritize cash flow allocation to “Strategic Investment”

Stable dividends and flexible repurchasing of own share

- Created cash flows will be given prioritized allocation to “Strategic Investment for Future Growth”, while maintaining a healthy financial structure (aiming for a debt-to-equity ratio of 0.9 times)
- Stable and sustainable dividends will be considered, and own share repurchasing will be flexibly conducted as well
- Dividends are in line with consolidated operating results, aiming to raise the dividend along with profits growth, and targeting a consolidated payout ratio of 30% of profit attributable to owners of parent for the medium term

**Despite our aggressive investments, we will make no change to our dividend policy**

**Reflecting the predicted profit growth, the FY2021 annual dividend is forecast to be 55 yen per share, an increase of 5 yen year on year**



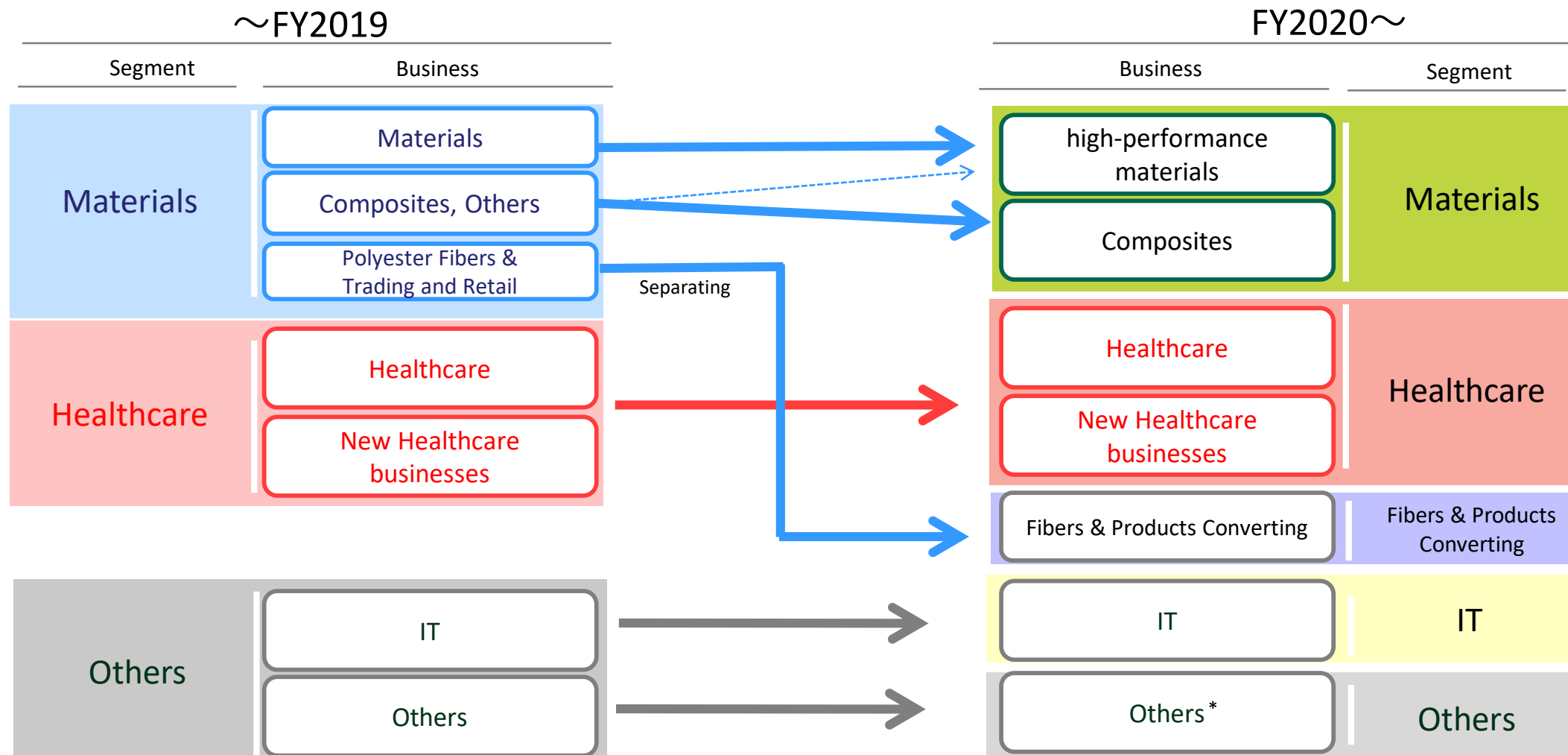
\* Including a commemorative dividend of 10 yen/share for our founding centennial

Note) The Company consolidated its common shares at a ratio of five shares to one share effective on October 1, 2016. Dividend amounts per share are converted based on this reverse stock split

### 3. Supplementary information

## Changes in segment for financial disclosure

- From FY2020, Fibers & Products Converting and IT business have become independent segments, the former was separated from Materials Segment, and the latter was separated from Others.



\* J-TEC, which has been consolidated since the end of FY2020, is included in "Others"

## Factors that affect income statement regularly

Segment	Major factor
Materials	<ul style="list-style-type: none"> <li>• Aramid: large-scale periodic maintenance in FY2021 1Q (once in three years)</li> <li>• Polycarbonate resin: periodic maintenance in 2Q &amp; 3Q every year</li> </ul>
Healthcare	<ul style="list-style-type: none"> <li>• Cost increase in 4Q</li> </ul>
Fibers & Products Converting	<ul style="list-style-type: none"> <li>• Fiber materials and apparel: 3Q is a season for sales of autumn/winter closing, and 4Q for spring closing</li> </ul>
IT	<ul style="list-style-type: none"> <li>• Delivery increase in 2Q and 4Q due to system acceptance period</li> </ul>

[ Special factor in FY2021 outlook ]

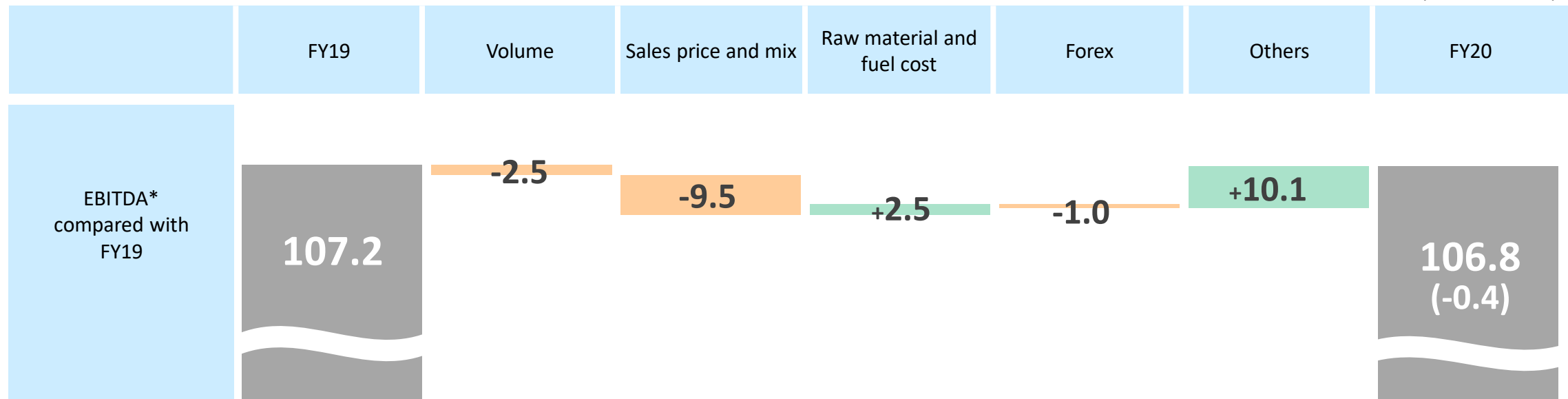
- The Materials Business and the Fibers & Products Converting Business will continue to recover from the impact of the COVID-19 pandemic mainly in products for automotive applications

## ◆ Changes in EBITDA\* (consolidated total) [Compared with FY2019]

(Billions of Yen)

	FY19	FY20	Difference	% change
Net sales	853.7	836.5	-17.2	-2.0%
EBITDA	107.2	106.8	-0.4	-0.4%
Depreciation & Amortization	51.0	51.8	+0.9	+1.7%
Operating income	56.2	54.9	-1.3	-2.3%
ROIC	8.7%	8.6%	-0.1%	

(Billions of Yen)



\* EBITDA = Operating income + Depreciation &amp; amortization

## ◆ Changes in net sales and operating income by segment [Compared with FY2019]

												(Billions of Yen)	
		FY19 Actual					FY20 Actual					Difference	% Change
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total		
Net sales													
High-performance materials		63.3	62.4	55.6	55.0	236.4	43.8	47.6	54.4	64.7	210.4	-25.9	-11.0%
Composites		22.8	23.1	22.9	22.4	91.2	10.1	24.8	25.2	26.4	86.6	-4.6	-5.1%
Materials Total		86.1	85.4	78.6	77.4	327.5	53.9	72.4	79.6	91.0	297.0	-30.6	-9.3%
Healthcare		39.8	39.1	40.3	34.7	153.9	36.2	36.9	38.8	36.8	148.7	-5.3	-3.4%
Fibers & Products Converting		73.8	80.4	77.2	74.9	306.3	71.6	86.5	79.0	77.8	314.9	+8.6	+2.8%
IT		10.9	12.2	11.2	14.3	48.6	13.5	15.0	13.7	15.8	58.1	+9.5	+19.6%
Others		4.0	4.2	4.1	5.0	17.4	3.9	4.2	4.5	5.3	17.8	+0.5	+2.7%
Total		214.6	221.4	211.4	206.3	853.7	179.1	215.0	215.6	226.8	836.5	-17.2	-2.0%
Operating income (loss)													
Materials		5.6	4.6	2.9	2.8	15.8	(1.4)	0.9	0.2	1.3	1.0	-14.9	-94.0%
Healthcare		10.5	8.9	9.7	3.4	32.6	8.7	7.8	9.3	5.7	31.5	-1.0	-3.2%
Fibers & Products Converting		1.0	1.8	1.4	1.2	5.4	5.1	7.6	3.6	1.2	17.5	+12.1	+223.3%
IT		1.3	2.3	1.9	2.3	7.8	2.0	2.7	2.1	3.5	10.4	+2.6	+32.9%
Others		(0.0)	0.3	(0.1)	0.2	0.3	(0.4)	0.1	0.2	(0.1)	(0.2)	-0.6	-
Elimination and Corporate		(1.4)	(1.1)	(1.3)	(1.9)	(5.8)	(1.4)	(0.6)	(1.3)	(1.9)	(5.2)	+0.5	-
Total		17.0	16.8	14.5	8.0	56.2	12.6	18.5	14.2	9.7	54.9	-1.3	-2.3%



## ◆ Changes in net sales and operating income by segment [Compared with FY2019 4Q and FY2020 3Q]

(Billions of Yen)

	FY19				FY20				Difference	Difference
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	20/4Q	20/4Q
	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	-19/4Q	-20/3Q
Net sales										
High-performance materials	63.3	62.4	55.6	55.0	43.8	47.6	54.4	64.7	+9.6	+10.2
Composites	22.8	23.1	22.9	22.4	10.1	24.8	25.2	26.4	+4.0	+1.1
Materials Total	86.1	85.4	78.6	77.4	53.9	72.4	79.6	91.0	+13.6	+11.4
Healthcare	39.8	39.1	40.3	34.7	36.2	36.9	38.8	36.8	+2.1	-2.0
Fibers & Products Converting	73.8	80.4	77.2	74.9	71.6	86.5	79.0	77.8	+2.9	-1.1
IT	10.9	12.2	11.2	14.3	13.5	15.0	13.7	15.8	+1.6	+2.1
Others	4.0	4.2	4.1	5.0	3.9	4.2	4.5	5.3	+0.3	+0.8
<b>Total</b>	<b>214.6</b>	<b>221.4</b>	<b>211.4</b>	<b>206.3</b>	<b>179.1</b>	<b>215.0</b>	<b>215.6</b>	<b>226.8</b>	<b>+20.5</b>	<b>+11.2</b>
Operating income (loss)										
Materials	5.6	4.6	2.9	2.8	(1.4)	0.9	0.2	1.3	-1.5	+1.1
Healthcare	10.5	8.9	9.7	3.4	8.7	7.8	9.3	5.7	+2.2	-3.7
Fibers & Products Converting	1.0	1.8	1.4	1.2	5.1	7.6	3.6	1.2	+0.0	-2.4
IT	1.3	2.3	1.9	2.3	2.0	2.7	2.1	3.5	+1.2	+1.4
Others	(0.0)	0.3	(0.1)	0.2	(0.4)	0.1	0.2	(0.1)	-0.2	-0.2
Elimination and Corporate	(1.4)	(1.1)	(1.3)	(1.9)	(1.4)	(0.6)	(1.3)	(1.9)	-0.0	-0.7
<b>Total</b>	<b>17.0</b>	<b>16.8</b>	<b>14.5</b>	<b>8.0</b>	<b>12.6</b>	<b>18.5</b>	<b>14.2</b>	<b>9.7</b>	<b>+1.7</b>	<b>-4.5</b>

## ◆ Consolidated statements of income

(Billions of Yen)

	FY19				FY20			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	JaQ.-Mar.
<b>Net Sales</b>	<b>214.6</b>	<b>221.4</b>	<b>211.4</b>	<b>206.3</b>	<b>179.1</b>	<b>215.0</b>	<b>215.6</b>	<b>226.8</b>
Cost of sales	147.0	153.4	146.1	143.8	119.4	148.4	152.2	161.4
<b>Gross profit</b>	<b>67.7</b>	<b>68.0</b>	<b>65.3</b>	<b>62.4</b>	<b>59.7</b>	<b>66.6</b>	<b>63.4</b>	<b>65.3</b>
SG&A	50.7	51.2	50.9	54.4	47.1	48.1	49.2	55.6
<b>Operating income</b>	<b>17.0</b>	<b>16.8</b>	<b>14.5</b>	<b>8.0</b>	<b>12.6</b>	<b>18.5</b>	<b>14.2</b>	<b>9.7</b>
Non-operating items, net	(0.1)	(0.6)	(0.1)	(1.1)	(0.1)	(0.7)	(1.5)	1.1
(Balance of financial expenses)	(0.1)	(0.5)	(0.4)	(0.4)	(0.1)	(0.3)	(0.2)	(0.2)
(Equity in earnings and losses of affiliates)	0.4	0.7	0.2	0.8	0.2	1.2	0.5	0.7
<b>Ordinary income</b>	<b>16.9</b>	<b>16.2</b>	<b>14.4</b>	<b>6.9</b>	<b>12.4</b>	<b>17.8</b>	<b>12.6</b>	<b>10.8</b>
Extraordinary items (net)	(1.8)	(2.3)	0.6	(9.3)	(1.4)	(1.1)	3.3	(45.1)
<b>Income before income taxes</b>	<b>15.1</b>	<b>13.9</b>	<b>15.0</b>	<b>(2.4)</b>	<b>11.0</b>	<b>16.7</b>	<b>16.0</b>	<b>(34.3)</b>
Income taxes	4.0	3.7	4.7	2.1	4.8	5.7	4.4	(1.3)
Profit attributable to non-controlling interests	0.3	0.5	0.5	0.4	0.5	0.7	0.7	0.5
<b>Profit attributable to owners of parent</b>	<b>10.8</b>	<b>9.7</b>	<b>9.7</b>	<b>(4.9)</b>	<b>5.7</b>	<b>10.3</b>	<b>10.8</b>	<b>(33.5)</b>

## ◆ Consolidated balance sheets

(Billions of Yen)

	FY18 Mar. 31, 2019	FY19				FY20			
		Jun. 30, 2019	Sep. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021
<b>Total assets</b>									
Current assets	523.9	511.6	525.5	528.0	505.3	502.6	513.1	507.4	534.6
Fixed assets	496.8	491.0	505.2	513.9	498.9	502.4	505.5	512.8	501.8
<b>Total</b>	<b>1,020.7</b>	<b>1,002.6</b>	<b>1,030.7</b>	<b>1,041.9</b>	<b>1,004.2</b>	<b>1,004.9</b>	<b>1,018.5</b>	<b>1,020.2</b>	<b>1,036.4</b>
<b>Total liabilities and net assets</b>									
Liabilities	593.4	586.0	610.3	606.5	592.8	588.0	583.7	573.9	608.2
[Interest-bearing debt]	369.2	374.3	407.6	398.2	381.9	391.4	387.3	362.8	380.0
Net assets	427.2	416.6	420.4	435.4	411.4	416.9	434.8	446.3	428.3
<b>Total</b>	<b>1,020.7</b>	<b>1,002.6</b>	<b>1,030.7</b>	<b>1,041.9</b>	<b>1,004.2</b>	<b>1,004.9</b>	<b>1,018.5</b>	<b>1,020.2</b>	<b>1,036.4</b>

## ◆ Key financial indicators by segment [Compared with FY2020 and FY2019]

				(Billions of Yen)	
	FY20	FY21 Outlook	Difference (vs FY20)	FY19	Difference (vs FY19)
<b>EBITDA<sup>*1</sup></b>					
Materials	31.5	43.5	+12.0	44.9	-1.4
Healthcare	43.7	67.5	+23.8	44.6	+22.9
Fibers & Products Converting	23.9	13.5	-10.4	12.4	+1.1
IT	11.3	11.5	+0.2	8.7	+2.8
Others	0.7	0.0	-0.7	1.3	-1.3
Elimination and Corporate	(4.3)	(6.0)	-1.7	(4.6)	-1.4
<b>Total</b>	<b>106.8</b>	<b>130.0</b>	<b>+23.2</b>	<b>107.2</b>	<b>+22.8</b>
<b>ROIC<sup>*2</sup></b>					
Materials	0%	3%	+3%	5%	-2%
Healthcare	41%	18% <sup>*3</sup>	-23%	41%	-23%
Fibers & Products Converting	14%	6%	-8%	4%	+2%
IT	66%	67%	+1%	49%	+18%
<b>Total</b>	<b>8.6%</b>	<b>7%</b> <sup>*3</sup>	<b>-2%</b>	<b>8.7%</b>	<b>-2%</b>

\*1 EBITDA = Operating income + Depreciation & amortization

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

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

\*3 The invested capital at the beginning of the outlook for FY2021 includes an increase due to the succession of sales rights of diabetes products

## ◆ Historical financial indicators

	FY16	FY17	FY18	FY19	FY20	FY21
	Actual	Actual <sup>*6</sup>	Actual	Actual	Actual	Outlook
ROE <sup>*1</sup>	15.7%	12.5%	11.2%	6.3%	(1.7%)	8%
ROIC <sup>*2</sup>	10.0%	11.2%	9.3%	8.7%	8.6%	7% <sup>*7</sup>
EBITDA <sup>*3</sup> (Billions of Yen)	95.8	115.5	107.6	107.2	106.8	130.0
Earnings per share <sup>*4</sup> (Yen)	254.9	231.3	232.4	131.6	(34.7)	177.8
Dividends per share <sup>*4</sup> (Yen)	55	60	70 <sup>*</sup>	60	50	55
*Including a commemorative dividend of 10 yen per share for our founding centennial						
Total assets (Billions of Yen)	964.1	982.0	1,020.7	1,004.2	1,036.4	1,170.0
Interest-bearing debt (Billions of Yen)	376.2	344.2	369.2	381.9	380.0	500.0
D/E ratio <sup>*5</sup>	1.11	0.88	0.90	0.97	0.94	1.1
Shareholders' equity ratio	35.1%	40.0%	40.2%	39.3%	39.2%	38%

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

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

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

\*3 EBITDA = Operating income + Depreciation & amortization

\*4 Reflecting the impact of the consolidation of shares

\*5 D/E ratio = Interest-bearing debt / Total shareholders' equity

\*6 Teijin has adopted the "Partial Amendments to Accounting Standard for Tax Effect Accounting, etc." (ASBJ Statement No. 28, February 16, 2018) from FY2018. Results for FY2017 have been adjusted to reflect the retrospective application of the new accounting standard.

\*7 The invested capital at the beginning of the outlook for FY2021 includes an increase due to the succession of sales rights of diabetes products

## ◆ Summary of news releases by April 2021

## Materials

- Teijin to Sell Hydrogen Fuel Cells to Support Carbon Neutrality
- Teijin and Applied EV Develop Autonomous Vehicle Platform, Polycarbonate Solar Roof, and Energy-efficient Autonomous LS-EV for Mobility
- Teijin to Build GF SMC Molding in Czech Republic
- Teijin Launches New Carbon Fiber Intermediate Material Brands
- New eco-datasheet show Teijin Aramids commitment to sustainability, transparency and measurable impact
- EcoVadis Gold status renewed: Teijin Aramid remains in top 2% of sustainable manufacturers of man-made fibers
- Teijin, JGC and Itochu Conclude Joint Agreement on the License Business of Polyester Chemical Recycling Technology

## Fibers &amp; Products Converting

- *Sleep Concierge*, a Daily Sleep Management Service Utilizing Sensing Technology, Jointly Developed
- Joint Project Launched to Develop Comfortable and Safe Medical Gowns
- Sound Absorbing Effect of a New Application of Teijin's Ultra-lightweight Ceiling System Confirmed
- Teijin's Molded Solid Polyester Sound Absorber Selected for Toyota's New MIRAI
- Teijin to Mass Produce Nanofiber Filament Made from Recycled Polyester



Jointly developed LS-EV prototype



A medical gown in trial use

## ◆ Summary of news releases by April 2021

## Healthcare

- Targeted Number of Subjects Registered for Cardiovascular Patch Clinical Trial
- Notice Regarding Execution of Asset Transfer Agreement for Transfer of Japan Sales, Intellectual Properties, and Manufacturing and Marketing Approval of Type 2 Diabetes Products (*Nesina*®, *Liovel*®, *Inisync*®, and *Zafatek*®)
- Teijin Forms a Capital and Business Alliance with 3Sunny Co., Ltd. to Create a New Business Related to the Provision of Comprehensive Community-based Healthcare
- Teijin to Commence Manufacture and Sale in Japan of Abaloparatide Acetate as Treatment for Osteoporosis

Product name	<i>Ostabaro</i> ® Subcutaneous Injection Cart 3mg
General name	Abaloparatide acetate
Dosage form	Aqueous injection (cartridge)
Usage and dose	Osteoporosis where there is a high risk of bone fractures

- On March 23, 2021, Teijin Pharma obtained approval from the Japanese Ministry of Health, Labour and Welfare for the manufacture and sale of *Ostabaro*, for which the approved indication is osteoporosis in patients at high risk of suffering bone fractures. Since Teijin Pharma is currently developing an additional dosage form of *Ostabaro* in compliance with Japan's 14-day prescription limit, expected launch timing is not determined yet
  - In the field of medical treatment for bone and joint problems, the Teijin Group's Healthcare Business has already provided treatments for osteoporosis, including *Onealfa* and *Bonalon*, the sonic accelerated fracture healing system *SAFHS*, and embedding materials for medical use. The Group will continue to create innovative medical treatments
- Japan's First Supplement Improving the Vaginal Environment Launched as a Food with Function Claims
- Notice Regarding Completion of Transfer of Japan Sales of Type 2 Diabetes Products
- Teijin and Jolly Good Inc. to Jointly Develop VR-based depression-treatment supporting system

## ◆ Sales of principal pharmaceuticals in Japan

(Billions of Yen)

Product	Target disease	FY2019					FY2020					Total
		1Q Apr.- Jun.	2Q Jul.- Sep.	3Q Oct.- Dec.	4Q Jan.- Mar.	Total	1Q Apr.- Jun.	2Q Jul.- Sep.	3Q Oct.- Dec.	4Q Jan.- Mar.		
<i>FEBURIC</i> ®	Hyperuricemia and gout	9.9	10.0	10.5	8.2	38.6	8.7	8.9	9.6	8.3	35.6	
<i>Bonalon</i> ®*1	Osteoporosis	2.5	2.4	2.4	2.1	9.4	2.1	2.1	2.3	1.8	8.3	
<i>Venilon</i> ®	Severe infection	1.6	1.5	1.7	1.3	6.2	1.4	1.2	1.4	1.0	5.0	
<i>Somatuline</i> ®*2	Acromegaly and pituitary gigantism, gastroentero-pancreatic neuroendocrine tumors	1.1	1.2	1.2	1.2	4.7	1.3	1.3	1.4	1.2	5.2	
<i>Mucosolvan</i> ®	Expectorant	0.9	0.8	1.0	0.7	3.4	0.6	0.5	0.7	0.5	2.2	
<i>LOQQA</i> ®	osteoarthritis pain and inflammation	0.6	0.5	0.6	0.4	2.1	0.5	0.6	0.5	0.5	2.1	
<i>Onealfa</i> ®	Osteoporosis	0.4	0.4	0.4	0.3	1.5	0.3	0.3	0.3	0.2	1.0	
<i>Alvesco</i> ®	Asthma	0.3	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.2	1.1	
<i>Laxoberon</i> ®	Laxative	0.3	0.3	0.3	0.2	1.1	0.2	0.2	0.2	0.2	0.8	
<i>Tricor</i> ®	Hyperlipidemia	0.1	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.4	

\*1 *Bonalon*® is the registered trademark of Merck Sharp & Dohme Corp., U.S.A.\*2 *Somatuline*® is the registered trademark of Ipsen Pharma, France.



### ◆ Development status by therapeutic area (As of March 31, 2021)

\* Approved / Launch within the past 1 year

	Phase of Clinical Trials				
	Phase I	Phase II	Phase III	Filed for Approval	Approved/ Launch *
Bone and joint disease	TCK-276			NT 201L <sup>*1</sup>	NT 201 <sup>*2</sup> ITM-058 <sup>*3</sup>
Respiratory disease		PTR-36			
Cardio-vascular and metabolic disease		TMX-67HK			ITM-014T <sup>*4</sup>
Others		JTR-161	GGs-MPA <sup>*5</sup>		

\*1 Filed a partial change approval application for the additional indication, lower limb spasticity, as an indication expansion of *Xeomin*®, in August 2020

\*2 Obtained production/marketing approval for upper limb spasticity in June 2020 and started sales in December 2020

\*3 Approved for manufacture and sale as a treatment for osteoporosis in patients at high risk of suffering bone fractures in March 2021. An additional dosage form in compliance with Japan's 14-day prescription limit is being developed (the launch date in Japan is not determined yet)

\*4 In December 2020, approval was obtained for adding thyroid stimulating hormone (TSH) pituitary adenoma to indications for *Somatuline*\*5 Currently under development as an indication expansion of *Venilon*®

# ◆ Newly developed pharmaceutical candidates (As of March 31, 2021)

[ Approved / Launch\* ]

\* Approved / Launch within the past 1 year

Code No. (Generic name)	Target disease	Medical properties/characteristics	Dosage form	Remarks
NT 201 (Incobotulinumtoxin A)	Upper limb spasticity	Promising for relaxation and improvement of excessive skeletal-muscular tension caused by upper limb spasticity, through the muscle relaxant action of pure botulinum neurotoxin type A1.	Injection	In-licensed from Merz Pharma GmbH & Co. KGaA (Germany) Approved in June 2020 Started sales in December 2020
ITM-014T (Lanreotide acetate)	Thyroid stimulating hormone-secreting pituitary tumors	Promising for normalization of thyroid function through the following actions: induction of apoptosis via the somatostatin receptor (direct action) and the control of secretion of cellular growth factor (indirect action).	Injection	In-licensed from Ipsen Pharma, France (Additional indication) Approved in December 2020
ITM-058 (Abaloparatide acetate)	Osteoporosis with a high risk of bone fracture	Promising for treatment of osteoporosis with potency in promoting bone formation, resulting in a rapid increase in bone density and reduction in the risk of bone fracture. Superior to existing PTH derived drugs, having ability to increase bone density and its safety (minimal risk of hypercalcemia).	Injection	In-licensed from Ipsen Pharma, France Approved in March 2021*

\* An additional dosage form in compliance with Japan's 14-day prescription limit is being developed (the launch date in Japan is not determined yet)

◆ Newly developed pharmaceutical candidates (As of March 31, 2021)

[ FILED ]

Code No. (Generic name)	Target disease	Medical properties/characteristics	Dosage form	Remarks
NT 201L (Incobotulinumtoxin A)	Lower limb spasticity	Promising for relaxation and improvement of excessive skeletal-muscular tension caused by Lower limb spasticity, through the muscle relaxant action of pure botulinum neurotoxin type A1.	Injection	In-licensed from Merz Pharma GmbH & Co. KGaA (Germany) (Additional indication) Filed in August 2020

◆ Newly developed pharmaceutical candidates (As of March 31, 2021)

[ PHASE III ]

Code No. (Generic name)	Target disease	Medical properties/characteristics	Dosage form	Remarks
GGs-MPA (Freeze-dried sulfonated human immunoglobulin)	Microscopic polyangiitis	Anti-inflammatory and immunoregulatory actions mitigate autoimmune vasculitis; also promising as a treatment for mononeuritis multiplex, a neuropathic disorder that is not alleviated by standard therapies.	Injection	Joint development with KM Biologics Co., Ltd. (Additional indication)

◆ Newly developed pharmaceutical candidates (As of March 31, 2021)

[ PHASE II ]

Code No. (Generic name)	Target disease	Medical properties/characteristics	Dosage form	Remarks
PTR-36	Bronchial asthma	A CRTh2 receptor antagonist, a novel mechanism to control symptoms of asthma, facilitating effective long-term management of the disease; expected to use as a monotherapy for mild asthma patients as well as combined use with inhaled steroid for mild to severe asthma patients.	Injection	In-licensed from GB001, Inc. (U.S.)
TMX-67HK (Febuxostat)	Pediatric gout and hyperuricemia	Trials to establish the appropriate dosage and administration of <i>FEBURIC</i> ® for pediatric patients with gout/hyperuricemia. Promising for improving and maintaining appropriate levels of serum uric acid in pediatric patients through its potent effect in inhibiting uric acid synthesis.	Tablet	Developed in-house (Additional indication)
JTR-161	Acute cerebral infarction (stroke)	A processed allogenic human stem cell product derived from dental pulp separated from extracted teeth of healthy Japanese people. Compared with cells sourced from bone marrow, etc., this process is less invasive and cells can be procured inside Japan. It is expected to be effective for suppressing inflammation through the production of immunomodulators and protecting and promoting regeneration of organs through the production of nutritional factors.	Injection	Joint development with JCR Pharmaceuticals Co., Ltd.

◆ Newly developed pharmaceutical candidates (As of March 31, 2021)

[ PHASE I ]

Code No. (Generic name)	Target disease	Medical properties/characteristics	Dosage form	Remarks
TCK-276	Rheumatoid arthritis	A new class of oral therapy expected to have an anti-rheumatoid arthritis effect by acting directly on and inhibiting the growth of synovial fibroblasts, the main cells in the pannus growth characteristic of rheumatoid arthritis.	Tablet	Developed in-house

## ◆ Non-financial Information : ESG External Evaluation

### Selected as a component stock of all four ESG indices of GPIF

Teijin Limited has been included in all four indices selected by Government Pension Investment Fund (GPIF) of Japan upon commencing ESG investment.

The four indices are FTSE Blossom Japan Index, MSCI Japan ESG Select Leaders Index, MSCI Japan Empowering Women Index (WIN) and S&P/JPX Carbon Efficient Index.



#### 2020 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

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#### 2020 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)



### Included in these two domestic programs as a company with outstanding ESG initiatives

#### “Nadeshiko”

Encouraging women’s success  
in the workplace



Promoting health and  
productivity management



### Status of inclusion in SRI indices



***TEIJIN***

*Human Chemistry, Human Solutions*