



November 25, 2025

To whom it may concern,

Name of company: Toyobo Co., Ltd.
Name of representative: Ikuo Takeuchi,
President and Representative Director
(Stock code: 3101, Prime Market of the Tokyo Stock Exchange)
Contact: Sonoko Ishimaru,
Executive Officer, General Manager,
Corporate Communication Department
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Notice regarding the absorption-type merger (simple merger/short-form merger) of a wholly owned subsidiary

Toyobo Co., Ltd. (hereafter “the Company”) hereby announces that it decided at a meeting of the Board of Directors held on November 25, 2025 to acquire TOYOBO STC CO., LTD. (“STC”), one of its wholly owned subsidiaries, through an absorption-type merger (“the Merger”) effective April 1, 2026. The details of the Merger can be found below.

Since the Merger will take the form of a simple absorption merger of a wholly owned subsidiary, we have omitted certain disclosure items and content.

1. Purpose of the merger

STC, the entity to be absorbed by the Company, is a wholly owned subsidiary of the Company. It conducts a trading business as a trading company inside the Toyobo Group. As a result of business restructuring conducted this fiscal year, the Company has decided to conduct an absorption-type merger to consolidate its management resources and streamline management because Company-manufactured materials have come to make up a higher ratio of its business materials.

2. Outline of the merger

(1) Merger schedule

A meeting of the Board of Directors that approved the merger contract	November 25, 2025
Signing of the merger contract	November 25, 2025
Planned day of merger (effective date)	April 1, 2026 (planned)

The Merger will be carried out without seeking approval on the merger contract at the respective general meeting of shareholders, in accordance with Clause 2, Article 796 of the Companies Act for the Company and Clause 1, Article 784 of the Companies Act for STC.

(2) Merger method

It will be conducted through an absorption merger with the Company as the surviving company and STC as the disappearing company. With the Merger, STC will be disbanded.

(3) Allocation in merger

There will be no issuance of new shares or payment to STC for this merger.

(4) Regarding stock acquisition rights and bonds with stock acquisition rights associated with the merger

STC, which will cease to exist, has not issued any stock acquisition rights or bonds with stock acquisition rights.

3. Outlines of companies involved in the merger

	Surviving company	Extinct company
(1) Company Name	Toyobo Co., Ltd.	TOYOBO STC CO., Ltd.
(2) Address	1-13-1, Umeda, Kita-ku, Osaka	1-13-1, Umeda, Kita-ku, Osaka
(3) Title and name of representative	Ikuo Takeuchi, President & Representative Director	Yuji Okuda, President & Representative Director
(4) Business description	Business related to films; life science; environmental and functional materials; and functional textiles and trading	Planning and sales for film business and functional resin business*
(5) Capital stock	51,730 million yen	390 million yen
(6) Date of establishment	June 1914	April 2008
(7) Total number of shares issued	89,048,792 common shares	50,000 common shares
(8) End of each accounting term	March 31	March 31
(9) Principal shareholders and their percentage of stock (as of September 30, 2025)	The Master Trust Bank of Japan, Ltd.(Trust Account): 15.43% Custody Bank of Japan, Ltd.(Trust Account): 9.06% GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A., Tokyo Branch): 3.04% Toyobo Employees Stockholders' Association: 2.89% Toyukai: 2.47%	Toyobo Co., Ltd.: 100%
Fiscal conditions and business performance in the latest business year		
	Business year ended March 2025 (Consolidated)	Business year ended March 2025 (Non-consolidated)
(10) Net assets	232,044 million yen	10,002 million yen
(11) Total assets	617,799 million yen	24,810 million yen
(12) Net assets per share	2,215.11 yen	200,049.26 yen

(13) Net sales	422,032 million yen	15,706 million yen
(14) Operating profit	16,653 million yen	1,510 million yen
(15) Ordinary profit	10,591 million yen	1,535 million yen
(16) Profit attributable to owners of parent	2,003 million yen	1,058 million yen
(17) Net profit per share	22.73 yen	21,161.26 yen

* As stated in the news releases “Notice regarding company split of a Toyobo Group company involving the spin-off of resin business” dated August 28, 2025 and “Notice of determination of effective date of company split regarding Toyobo Group’s resin business ” dated November 5, 2025 (Only available on the Japanese website), it has been determined that the functional resin business of STC shall be transferred to Toyobo Group company Toyobo MC Corporation with an effective date of January 1, 2026.

4. The Company’s situation after the Merger

There will be no change in Toyobo’s trade name, the address of the head office, the title and name of representative, business operations, capital stock or the accounting period after the Merger.

5. Future outlook

As a result of the Merger, the Company expects to record extraordinary income of approximately ¥6,700 million from the gain on extinguishment of tie-in shares in its non-consolidated financial results for the first quarter of the fiscal year ending March 31, 2027, but since it will be eliminated in the consolidated financial statements, the Merger will have no impact on the Company’s consolidated financial results.