

Notice of Merger with Wholly-Owned Subsidiary Toyobo Tatemono Co., Ltd.

Toyobo Co., Ltd. ("Toyobo") decided at a meeting of its Board of Directors held on December 25, 2009, to merge with its wholly owned subsidiary Toyobo Tatemono Co., Ltd. (hereafter "Toyobo Tatemono") and to take over those concerned businesses effective March 1, 2010 as detailed below. The merger agreement with Toyobo Tatemono was concluded today.

As this is a merger with a wholly-owned subsidiary, certain disclosure items have been omitted in accordance with the guidelines of the Tokyo Securities and Exchange Commission.

1. Objectives of this Merger

Toyobo is taking over the concerned businesses through this merger to concentrate Toyobo Tatemono's office building leasing business, to accelerate decision-making regarding the concerned businesses. Toyobo is seeking more efficient use of the Toyobo Group's real estate resources.

2. Overview of the Merger

(1) Merger Schedule

Merger resolution Board of Directors meeting	December 25, 2009
Conclusion of Merger agreement	December 25, 2009
Merger date (effective date)	March 1, 2010 (tentative)

Because this Merger is based on the provisions of Article 796 Clause 3 of the Companies Act for Toyobo and the provisions of Article 784 Clause 1 for Toyobo Tatemono, it is being executed without ratification at the general shareholders meetings of each company.

(2) Method of Merger

Toyobo will be the surviving company, with Toyobo Tatemono the absorbed company.

(3) Merger Ratio

There shall be no issuance of new shares or cash payment upon this merger.

(4) Toyobo Tatemono's Share Option and Corporate Bond with Share Option

No share option or corporate bonds with share options have been issued by Toyobo Tatemono.

3. Outline of the parties to Merge (as of March 31, 2009)

		Surviving Company	Absorbed Company
(1)	Company name	Toyobo Co., Ltd.	Toyobo Tatemono Co., Ltd.
(2)	Head office location	2-8, Dojima Hama 2-chome, Kita-ku, Osaka	4-27, Kyutaromachi 2-chome, Chuo-ku, Osaka
(3)	Representative	Ryuzo Sakamoto, President	Satoshi Minagawa, President
(4)	Businesses	Films & functional polymers, industrial materials, life sciences, textiles	Office buildings leasing business
(5)	Capital	¥43,341 million	¥3 million
(6)	Date of establishment	June 26, 1914	September 22, 2003
(7)	Number of shares outstanding (as of September 30, 2009)	Common stock 750,487,922 shares	Common stock 60 shares
(8)	Net assets	¥133,967 million (Consolidated)	¥585 million (Non-consolidated)
(9)	Total assets	¥443,816 million (Consolidated)	¥13,263 million (Non-consolidated)
(10)	Fiscal year-end	March 31	March 31
(11)	Major Shareholders and Ratio of Voting Rights (as of September 30, 2009)	Japan Trustee Services Bank Limited (trust account): 4.01% Nippon Life Insurance Company: 2.92% The Master Trust Bank of Japan, Ltd. (trust account): 2.89% Mizuho Corporate Bank, Ltd.: 1.78% Toyukai: 1.78%	Toyobo Real Estate., Ltd.: 100%

4. Conditions at Toyobo After this Merger

This merger will not result in any changes to Toyobo's trade names, business contents, head office location, company representative's position or name, capital, or fiscal period.

5. Future Outlook

The impact of this merger on Toyobo's consolidated performance is expected to be minimal.

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