

February 3, 2021

Toyobo Co., Ltd.

To whom it may concern,

Report regarding misconduct over our engineering plastic products (developments concerning the matter that has been disclosed)

In response to our misconduct over the quality of PLANAC_{TM} polybutylene terephthalate (PBT) resin manufactured and sold by Toyobo Co., Ltd. as we notified in the document dated October 28, 2020, we have conducted an investigation into our products other than PLANAC_{TM} based on the results of a third-party investigation, etc., as we notified in the document dated December 29, 2020. We report that we have found misconduct with respect to the quality of our engineering plastic products, VYLOPET_{TM}, GLAMIDE_{TM} and PELPRENE_{TM}. The details of our findings are stated below.

We have reported the misconduct over the quality of the three engineering plastic products to Underwriters Laboratories (UL), a third-party U.S. organization engaged in product safety certification. As a result, UL notified us that its certifications of the three products will be rescinded on February 3, 2021. We also report about the UL notification below. We deeply apologize again for the anxiety and trouble the repeated inappropriate conducts have caused to our clients and other stakeholders.

1. Summary of the latest misconduct

(1) VYLOPET_{TM}, GLAMIDE_{TM}

- It was found that for some items in the two product series, we submitted for verification tests to UL, samples with a chemical composition different from those actually being sold to our clients.
- It was found that we manufactured and sold some items, in the two product series, that have a chemical composition partially different from the one registered with UL when we obtained their certifications.
- It was found that we manufactured and sold some items, in the two product series, that do not meet the same performance requirements as the material that obtained UL certification.

(2) VYLOPET_{TM}, GLAMIDE_{TM}, PELPRENE_{TM}

- It was found that some items in the three product series are manufactured at factory locations that are not authorized to produce the UL certified materials.

2. Cancellation of UL certifications over the latest misconduct

(1) Items subject to the measure

All items in the VYLOPET_{TM}, GLAMIDE_{TM} and PELPRENE_{TM} product series.

(2) Dates of cancellation (Scheduled)

February 3, 2021

3. Impact on safety of the products, etc.

We will continue to verify the performance levels of the products in question and will report to our

clients independently discussing the measures sincerely. We have not received any report about accidents, etc. regarding final products that used the products in question at this point. But we will continue our investigation into their safety and performance with the cooperation of our clients.

4. Impact on business performance

It is uncertain at this point how the latest misconduct will affect our business performance. We will swiftly inform you concerning matters deemed important and that should therefore be disclosed.

Toyobo has been proceeding with its investigation into the matter under the initiative of a committee comprising outside directors and auditors conducted independently of the company's top management. We will continue to be committed to understanding the actual situation and investigating into the cause of the misconducts. We are taking the repeated misconducts very seriously and will study and implement effective measures to prevent such misconducts from occurring again based on the investigation results and the third-party investigation, etc. which has been already conducted and thoroughly review the quality assurance process to promote the restructuring of the appropriate quality assurance system urgently. We will do our best to restore trust in the Toyobo Group.

For more information, contact:

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