

October 12, 2022
Toyobo Co., Ltd.

Toyobo and Indorama Ventures set to better meet increase in global airbag demand: ceremony held in Thailand marks opening of factory to produce high-performance nylon yarn for the automotive safety sector

Toyobo Indorama Advanced Fibers Co., Ltd. (TIAF), a joint venture that Toyobo Co., Ltd. established in November 2020 with Indorama Polyester Industries PCL (IPI), has completed construction of a factory to manufacture high-performance nylon yarn for automobile airbags. A ceremony was held on October 11, 2022, to mark the factory's opening. Bangkok-based IPI is under the umbrella of Indorama Ventures Public Co., Ltd., a global sustainable chemical company producing, marketing and selling polyester fibers, amongst others.



TIAF's new factory to manufacture nylon yarn for airbags



The ceremony to mark the factory's opening

The airbag market is expected to grow by 3 percent to 4 percent annually due to the increasing number of airbags mounted per car and the rising proportion of automobiles equipped with airbags in emerging economies.

The yarn factory, which has been built on the site of the IPI factory in Rayong Province, Thailand, will boost manufacturing capacity by effectively using resources of Indorama Ventures and Toyobo to meet the increase in global demand for airbags. The manufacturing team will start test production in October 2022 with the goal of starting commercial production in the middle of 2023.

The opening ceremony was attended by about 200 representatives, including Alope Lohia, Group CEO of Indorama Ventures, DK Agarwal, CEO of Indorama Ventures, Christopher Kenneally, Executive President of the Fibers Segment at Indorama Ventures, and Ashok Arora, Chief Technical Officer at Indorama Ventures' Fibers Segment and CEO of TIAF. "With a strong sense of mission and pride, we will produce components for airbags that will protect the lives of automobile drivers and passengers around the world," Ikuo Takeuchi, President and Representative Director of Toyobo, said at the ceremony.

Christopher Kenneally agreed: "Indorama Ventures and Toyobo have been trusted partners for many years, driven by our ambition to provide consistent quality and reliable service to the high-potential airbag industry that demands high-performance products. In doing so, we strive to make a difference for our customers as well as the billions of people whose lives we touch everyday with our products."

In 2014, Toyobo and Indorama Ventures jointly acquired Germany's PHP Fibers GmbH, a leading airbag yarn maker. Since then, Toyobo has strengthened its relationship with Indorama Ventures, while focusing on expansion of the airbag business.

Details of new factory

Address:	No. 6, I-2 Road, Map Ta Phut Industrial Estate, Tambol Map Ta Phut, Amphur Muang Rayong, Rayong 21150, Thailand (on the site of IPI's Rayong factory)
Site area:	12,875 square meters
Total floor area:	22,833 square meters
Structure / number of floors:	Steel framed / five floors (seven floors in certain sections)
Start of operation:	Scheduled for October 2022
Product to be manufactured:	Nylon yarn for automobile airbags
Production capacity:	Maximum output of 11,000 tons per year
Investment amount:	2.596 billion baht (about 10 billion yen)

About TIAF

Name:	Toyobo Indorama Advanced Fibers Co., Ltd. (TIAF)
Address:	Same as IPI headquarters in Bangkok, Thailand
Representative:	Ashok Arora (IPI) and Soichi Inoue (Toyobo)
Stakes:	Toyobo, 50 percent; IPI, 50 percent
Establishment date:	November 2020

About IPI

Name:	Indorama Polyester Industries PCL
Address:	Headquartered in Bangkok, Thailand; factory located in Rayong Province
Main business:	Production and sale of polyester products

About Indorama Ventures

Name:	Indorama Ventures Public Co., Ltd.
Address:	Headquartered in Bangkok, Thailand
Representative:	Aloke Lohia, Group CEO
Main business:	Production and sale of Purified Terephthalic Acid (PTA), PET, polyester fibers, ethylene oxide and ethylene glycol.

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