



December 26, 2022

To whom it may concern,

Name of company: Toyobo Co., Ltd.  
Name of representative: Ikuo Takeuchi,  
President & Representative Director  
(Stock code: 3101, Prime Market of the Tokyo Stock Exchange)  
Contact: Sonoko Ishimaru, General Manager,  
Corporate Communication Department  
(TEL +81-6-6348-3044)

## **Notice regarding the absorption-type merger (simple merger/short-form merger) of a wholly owned subsidiary**

Toyobo Co., Ltd. (“Toyobo,” hereafter) announces today (December 26, 2022) that it decided at a meeting of the Board of Directors earlier the same day to acquire Toyobo Information System Create Co., Ltd. (TISC), one of its wholly owned subsidiaries, through an absorption-type merger effective April 1, 2023. The details of the merger can be found below.

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

### **1. Purpose of the merger**

The importance of digital technologies has been increasing every year and they have become essential in our business activities. Under these circumstances, Toyobo decided to conduct an absorption-type merger with TISC, aiming to consolidate the IT resources of the Toyobo Group, build a system that can quickly respond to changes in the business environment associated with the advancement and increasing use of digital technologies, and contribute to reforms and growth in Toyobo’s business.

### **2. Outline of the merger**

#### **(1) Merger schedule**

A meeting of the Board of Directors that approved the merger contract	December 26, 2022
Signing of the merger contract	December 26, 2022
Date of merger (effective date)	April 1, 2023 (scheduled)

The merger will be carried out without seeking approval on the merger contract at the respective shareholders’ meetings, in accordance with Clause 2, Article 796 of the Companies Act for Toyobo and Clause 1, Article 784 of the Companies Act for TISC.

#### **(2) Merger method**

It will be conducted through an absorption merger with Toyobo as the surviving company. With this merger, TISC will be disbanded.

(3) Allocation in merger

There will be no issuance of new shares or payment to TISC involving this merger.

(4) Regarding stock acquisition rights and bonds with stock acquisition rights

TISC, 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 as of September 30, 2022**

	Surviving company	Extinct company
(1) Company Name	Toyobo Co., Ltd.	Toyobo Information System Create 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	Ashida Takaaki, President & Representative Director
(4) Business description	Business related to films and functional materials; mobility; lifestyle and environment; life science	System consulting; system development, operation, and maintenance; ERP solutions (GRANDIT, Oracle E-Business Suite, etc.); and network solutions
(5) Capital stock	51,730 million yen	50 million yen
(6) Date of establishment	June 1914	April 1992
(7) Total number of shares issued	89,048,792 common shares	1,000 common shares
(8) End of each accounting term	March 31	March 31
(9) Principal shareholders and their percentage of stock	The Master Trust Bank of Japan, Ltd.: 17.26% Custody Bank of Japan, Ltd.: 8.89% Toyobo Employees Stockholders' Association: 2.48% Toyukai: 2.13% NIPPON LIFE INSURANCE COMPANY: 1.97%	Toyobo Co., Ltd.: 100%
(10) Fiscal conditions and business performance in the latest business year		
	Business year ended March 2022 (Consolidated)	Business year ended March 2022 (Non-consolidated)
Net assets	197,149 million yen	610 million yen
Total assets	517,774 million yen	2,083 million yen
Net assets per share	2,192.17 yen	2,082,852.70 yen
Net sales	375,720 million yen	4,190 million yen
Operating profit	28,430 million yen	6 million yen
Ordinary profit	23,092 million yen	6 million yen

Profit attributable to owners of parent	12,865 million yen	7 million yen
Net profit per share	144.75 yen	7,322.60 yen

#### **4. Toyobo'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 prospect**

The merger will have only minor effects on Toyobo's consolidated business performance.