

March 12, 2012
Toyobo Co., Ltd.

Toyobo to Establish a Manufacturing and Sales Company for Polyester Resin in Thailand

Toyobo has made the decision to establish a joint venture in the Kingdom of Thailand with Mitsubishi Corporation (Location: Chiyoda-ku, Tokyo; President & CEO: Ken Kobayashi; hereinafter, Mitsubishi Corp.) for the manufacture and sale of VYLON[®] copolyester resin.

The joint venture will be established in July 2012 and production is scheduled to begin in January 2014.

1. Outline of the Company

Company name: TOYOBO CHEMICALS (Thailand) Co., Ltd.

Date of establishment: July 2012 (Scheduled)

Paid-in capital: Approximately ¥1.2 billion

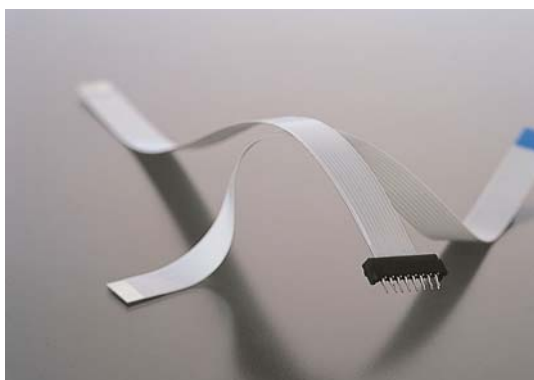
Ownership percentages: Toyobo: 85%; Mitsubishi Corp.: 15%

Location: Amat Nakorn Industrial Estate, Chonburi State, Thailand

Lines of business: Manufacture and sale of VYLON[®] copolyester resin

2. About VYLON[®]

VYLON[®] is a basic resin for use in paints, ink, industrial adhesives and other products. As an industrial material, it is indispensable in a wide range of fields. Applications include adhesives, coatings, canned paints, wire coatings, films surface modifiers as well as conductive silver paste and other items.



VYLON[®] is used in adhesive materials for flat cable surface films.

3. Background Information on the Joint Venture's Establishment

Thus far, Toyobo has produced VYLON[®] copolyester resin in Japan and sold it to customers in Japan and overseas. In recent years, the number of Japanese companies setting up operations in China, India, the ASEAN region, and elsewhere as well as the number of European and U.S. companies shifting production to these countries and the number of local companies entering this market have been expanding. Moreover, these countries are expected to show sustained economic development going forward.

In view of these circumstances, to expand sales of VYLON[®] into the electronics-related markets, Toyobo has decided to establish a joint venture for the manufacturing and sale of VYLON[®] in partnership with Mitsubishi Corp. in Thailand, a country that offers favorable tax treatment, highly convenient logistics, and other advantages. Toyobo will be in charge of managing production, providing technical guidance, and offering other support to the joint venture, and Mitsubishi Corp. will draw on its extensive business experience in Thailand and cooperate in the procurement of materials and product marketing.

4. Schedule Going Forward

The joint venture will be established in July 2012. Production will begin in January 2014 and reach full capacity in 2016.

The newly established company is scheduled to be Toyobo's base for business operations in the Chinese, Indian, and ASEAN markets, and it will work to expand sales.

For more information, contact:

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