

April 11, 2012

Toyobo Co., Ltd.

Toyobo to establish a sales company for airbag fabrics in North America

Toyobo has made the decision to establish a sales company for airbag fabrics in Michigan, the United States, for strengthening of its business in North America.

Toyobo will procure the manufacturing of the fabrics from Polyamide High Performance, Inc. (hereafter "PHPI", Headquarters: United States), and sell the products in the US market.

The operation is scheduled to begin in December 2012.

1. Outline of the new company

(Sales Company)

Company name: TOYOBO INDUSTRIAL MATERIALS AMERICA, INC.

Date of establishment: April, 2012

Paid-in capital: \$9 million

Ownership: Toyobo, 100%

Location: Novi, Michigan state, U.S.

Number of employees: 5

Lines of business: Sales of airbag fabrics

2. Background of Establishment

Toyobo has been manufacturing airbag fabrics in Japan, Thailand and China, and has been selling the output mainly to the Japanese automotive parts manufacturers. Recently, Japanese automotive manufacturers have been promoting their local production, as a result of that background and increasing demand for emerging markets such as BRICs and tightening of laws in the United States, Toyobo has decided to expand its business in North America.

3. About Business Scheme

Toyobo has had cooperative partnerships with PHPI in the field of airbag yarn business for many years. The new sales company will procure the nylon66 yarns for airbag fabrics from PHPI, who will also manufacture the fabric in its new established subsidiary based on technology provided by Toyobo.

The company will sell airbag fabrics mainly to the Japanese automotive parts

manufacturers in North America and support their local production.

4. Future Plans

The new sales company will be established in April 2012. The production is scheduled to begin in July, and start to sell in December 2012. The total investment of this business will be approximately one billion JPY.

Toyobo has manufactured airbag fabrics not only in Japan but also in Thailand, and also started full-scale production in China since this April.

Toyobo will expand its airbag fabric business worldwide with newly joined base in North America.

[Supplementary Information]

PHPI is part of PHP, a global fibers group based in Wuppertal, Germany, consisting of Polyamide High Performance GmbH and its subsidiary Polyester High Performance. The group is a world class manufacturer of high-tenacity polyamide and polyester yarns and polymers with leading market positions in high-performance yarn types for airbags, black seatbelts, tires and broad woven specialty fabrics. PHP's specialized yarn types also play an important role in other demanding technical applications. PHP products are marketed under the brand names Diolen®(PET), Enka®Nylon (PA 6.6), Enkalon® (PA 6) and Stanylenka® (PA 4.6).

PHP sales offices are located in Wuppertal, Germany, Scottsboro, Alabama, USA and Shanghai, China. PHP production facilities are located in Obernburg, Germany (PA and PET yarns), Scottsboro, Alabama, USA (PA yarns) and Pingdingshan, China (PA yarns), which is a joint venture with China ShenMa.

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