

Toyobo to Establish Sales and Marketing Office in Mexico for Expansion of Its Functional Polymers for Automobile Parts Business

In October 2014, Toyobo will establish a new company (sales and marketing office) in Mexico. For the time being, this company will work to expand sales in the functional polymers (engineering plastics) business, but, looking ahead, it is scheduled to become the Toyobo Group's Central American Office.

1. Background and Objectives

Toyobo's functional polymers business has expanded along with the development of the businesses of automobile manufacturers, which are the main customers for these products. Accordingly, Toyobo has set up marketing offices and local production and development operations in North America, China, Thailand, and Indonesia.

Going forward, automobile production in Mexico is expected to rise from about three million units a year (ranking Mexico eighth in the world) to 3.8 million units in 2016. Japanese automobile manufacturers are setting up local production plants one after another and are substantially increasing production capacity. Along with these developments, Toyobo has been strongly requested to establish a local marketing office.

Amid this operating environment, Toyobo has decided to establish a new company (sales and marketing office) in Mexico and structure a supply system for automotive parts manufacturers in Central America.



Office building where the new company plans to locate

2. Outline of the New Company

- (1) Name: TOYOBO MEXICO, S.A. de C.V.
- (2) Scheduled date of establishment: October 2014
- (3) Location: Querétaro de Arteaga, Querétaro (planned)
- (4) Paid-in capital: 10 million MXN (Mexican pesos) (About ¥80 million)
- (5) Shareholder ownership: Toyobo Co., Ltd.: 99.9% and Toyobo U.S.A., Inc.: 0.1%

3. Future Outlook

The new company, as Toyobo Group's sales office in Central America, will accelerate the expansion of sales in the region and is aiming for annual sales of ¥2.0 billion by 2020.

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