

Further Development of the Engineering Plastics Business for Automotive Parts in Brazil

To further the development of its engineering plastics business for automotive parts in Brazil, Toyobo has decided to build a new production plant within the Americana Plant (located in the city of Americana in São Paulo Province) of Toyobo do Brasil Ltda., which is a 100% subsidiary of Toyobo do Brasil Industria Textil Ltda. (100% owned by Toyobo Co., Ltd.) which has a history of more than 50 years through the textile industry.

1. Background for the New Plant

As Japan's automobile manufacturers, which are the principal customers for Toyobo's engineering plastics, have relocated their production facilities outside Japan, Toyobo has set up sales offices as well as local production and development systems in North America, China, Thailand, and Indonesia.

Last fiscal year, Brazil's automotive market climbed to 3.8 million units sold, thus placing Brazil in fourth place among the world's car markets. Further expansion in the size of the middle-income class, who are recent users of automobiles, is forecast. Japanese automobile manufacturers are closely following the expansion of the Brazilian market and are preparing plans for expanding their production capacity in this new market, focusing especially on small cars.

Amid this business environment, Toyobo will build a new production plant and a laboratory within the Americana Plant of Toyobo do Brasil, which is close to the area where Japanese manufacturers have established their operations, to supply the needs of automobile parts manufacturers for

engineering plastics in Brazil.

2. Outline of the New Plant

- (1) Location: Praca Toyobo, 50, Jardim Paulistano, Americana, SP, Brazil
(The Americana Plant of Toyobo do Brasil)
- (2) Lines of business: Manufacturing and sale of functional polymers that use polyester, polyamide, and other materials as a base; contract manufacturing of compounds
- (3) Production capacity: Approximately 5,000 tons/year
- (4) Start-up date: August 2014
- (5) Investment amount: Approximately ¥1.0 billion



The Americana Plant of Toyobo do Brasil



Engineering plastics used in automotive door mirrors

3. Outlook Going Forward

In Brazil, in addition to Toyobo's engineering plastics business, which

supplies materials for automotive parts manufacturing in the major markets around the world, Toyobo made Mitsutomo Chemicals Co., Ltd. (Headquartered in Nabari-shi, Mie Prefecture, hereinafter Mitsutomo Chemicals), a wholly owned subsidiary in April 2013. Toyobo will draw on the wide range of technologies for engineering plastics of Mitsutomo Chemicals and strive to meet a broad spectrum of customer needs through further developing its contract manufacturing of compounds business.

Also, to meet the procurement needs of automotive parts manufacturers, Toyobo has plans to increase the production capacity of this new facility step by step to 15,000 tons annually by the year 2020.

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