Attachment



January 16, 2018 Toray Industries, Inc.

Global Brand differentiation strategy for Alcantara® and Ultrasuede®

Toray has positioned Alcantara[®] and Ultrasuede[®] as global brands for all applications around the world. Alcantara[®], made in Italy, and Ultrasuede[®], made in Japan, will respectively embody the product and conceptual aspects of their production centers under separate management, Alcantara[®] by Alcantara S.p.A. and Ultrasuede[®] by Toray's Ultrasuede Department.

The two materials, Alcantara[®] and Ultrasuede[®], started from the same original technology, developed by a Toray scientist, the late Miyoshi Okamoto, in 1970, which remains unrivalled even today. Through the years major changes have been developed on the original technology by the two brands that built their respective identities. A strategy of differentiation between the two brands has been pursued during the years and will continue to be reinforced in the future.

Brand Positioning

■Ultrasuede® Brand

ultrasuede.

Place of Manufacture	Made in Japan
Marketing/Sales	Ultrasuede Department, Toray Industries, Inc.
Concept	Japanese advanced-material brand with a wide variety of products made possible by the leading technology of Toray and Japanese features.

■ Alcantara[®] Brand



Place of Manufacture	Made in Italy
Marketing/Sales	Alcantara S.p.A.
Concept	World-class global luxury brand devoted to the upper segment
	of the market with an Italian original management and with a
	unique positioning at the crossroad between technology and
	emotion, in a context of strong commitment to sustainability.

ultrasuede.

Ultrasuede[®] is a global brand, backed by the Toray corporate brand and the concept of "Made in Japan." Ultrasuede[®] products are exquisite, functional, comfortable, advanced, and always ahead of their time. Ultrasuede[®] is known, for example, for its use in hybrid surface products, something between suede and natural leather, in elaborate surface products with extremely fine fiber, and also in products with scrim. Many Ultrasuede[®] products were developed and launched as world-firsts. These achievements represent the concept of Ultrasuede[®].

Ultrasuede[®] also contributes to sustainability by supporting proactive development of eco-friendly products and responsible manufacturing practices. For example, Ultrasuede[®] was the first material in the category to incorporate partially plant-based polyester for commercial production. The plant-based raw material is derived from plant-based recycled resources in the form of waste molasses from sugarcane.

The excellent features and wide range of Ultrasuede[®] base products demonstrate a sincere attitude and matchless capability to provide total services including research, development, and quality control. Ultrasuede[®] provides all valued customers with sophisticated total services, through highly-trained staff and an organization that aims for continuous progress driven by customer satisfaction, cooperating with many Toray Group companies all over the world.

ALCANTARA®

Alcantara S.p.A. is based in Italy and the Alcantara® material is completely "Made in Italy". The material is manufactured at the plant located in Rome's suburb. Major changes have been developed on the original base technology in terms of technical know-how, patents, production processes, research and development and sustainability issues and tailor made solutions.

Through the years, Alcantara brand built its own distinctive identity and it has been pursuing a strategy of differentiation that will be even more enforced in the future.

Alcantara brand is a trusted lifestyle partner of leading global brands in the high-end market segments and across multiple industries. Its homonymous material provides a unique combination of technical and functional, emotional and aesthetic values.

The extreme customization of Alcantara[®], being presentable in countless different ways and applications, is based on a never-ending research and innovation and is leveraged by a strong relationship with the design, creatives and artists community. In the downstream part of production, for special services and tailoring on the material, Alcantara also works with a network of small and medium sized Italian companies. For Alcantara "Made in Italy" is represented by this unique ability to combine high-tech processes and craftsmanship.

Alcantara[®] is also Carbon Neutral since 2009. It was the first Italian industrial company, and among the very few in the world, to achieve this status. Moreover, Alcantara has built its supply chain focusing on responsible procurement; and it contributes to the diffusion of the principles of sustainability through several activities of stakeholder engagement.

Further, Alcantara[®], under its mainly Italian management, has succeeded in building a unique global worldwide reputation as Italian luxury brand. As a consequence, Alcantara S.p.A. is directly promoting and selling Alcantara[®] worldwide.