

October 8, 2004

Company name: Toho Tenax Co., Ltd.
President and CEO: Yoshikuni Utsunomiya
(Code No. 3403, First Section of the Tokyo
Stock Exchange)
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Parent company of Toho Tenax: Teijin Limited
President and CEO: Toru Nagashima
(Code No. 3401, First Section of the Tokyo
Stock Exchange)

Federal Class Action Lawsuit Settled in the United States

Toho Tenax and Toho Carbon Fibers, Inc. announced they have reached an agreement of settlement with the plaintiffs in the federal class action lawsuit for alleged price fixing of carbon fiber and carbon fiber prepreg for 7.75 million dollars.

The settlement is subject to court approval.

The company has denied and continues to deny this allegation, but believes that the costs of continuing defense outweigh the costs of settlement.

The settlement will result in decreasing net income as the following.

Semi-annual (2004/4/1~2004/9/30)

Toho Tenax Co., Ltd.	:	100 million yen	→	750 million yen
Consolidated	:	0 yen	→	850 million yen

Annual(2004/4/1~2005/3/31)

Toho Tenax Co., Ltd.	:	250 million yen	→	400 million yen
Consolidated	:	350 million yen	→	500 million yen

Company Profile

Company name: Toho Carbon Fibers, Inc.

Location: Menlo Park, California, USA

Representative: Toshihiro Aoyama, Chairman (Managing Director of Toho Tenax Co., Ltd.)

Shareholder: wholly owned subsidiary of Toho Tenax Co., Ltd.