

# Growth Strategy of the Chemicals Division

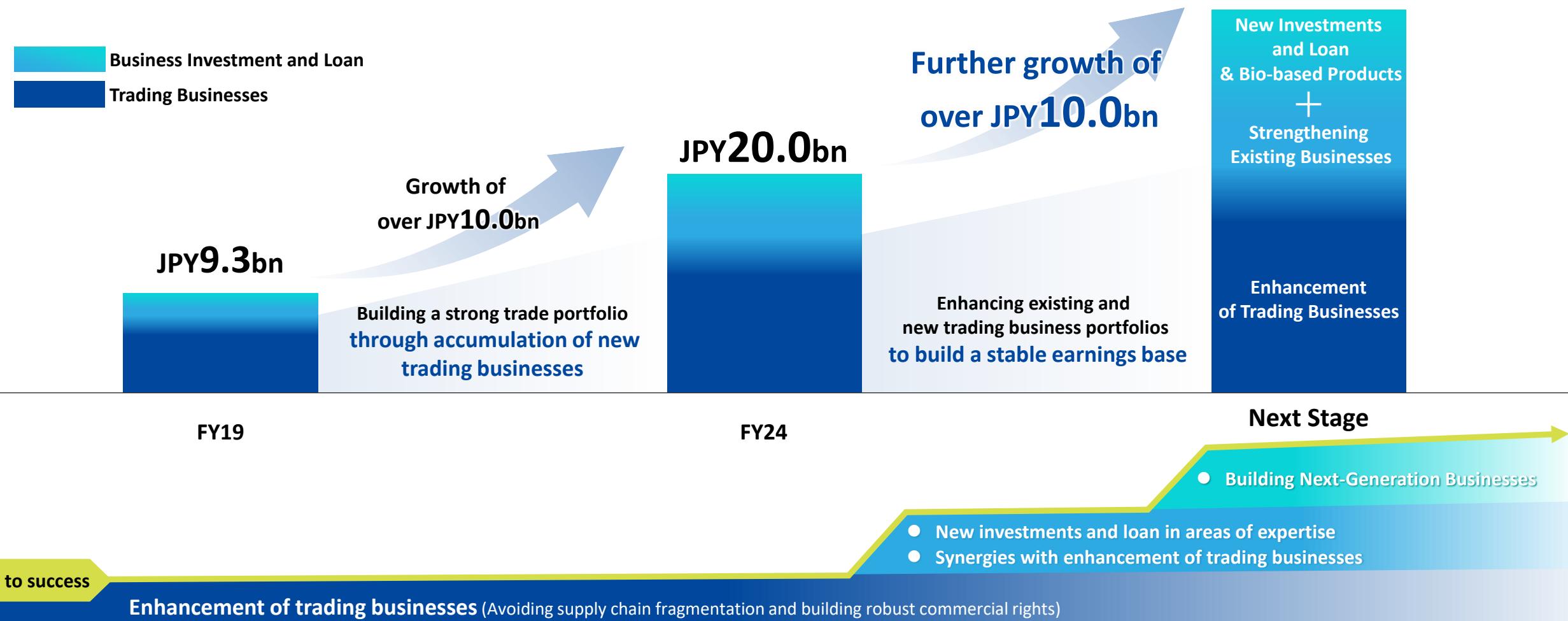
Executive Officer, COO, Chemicals Division

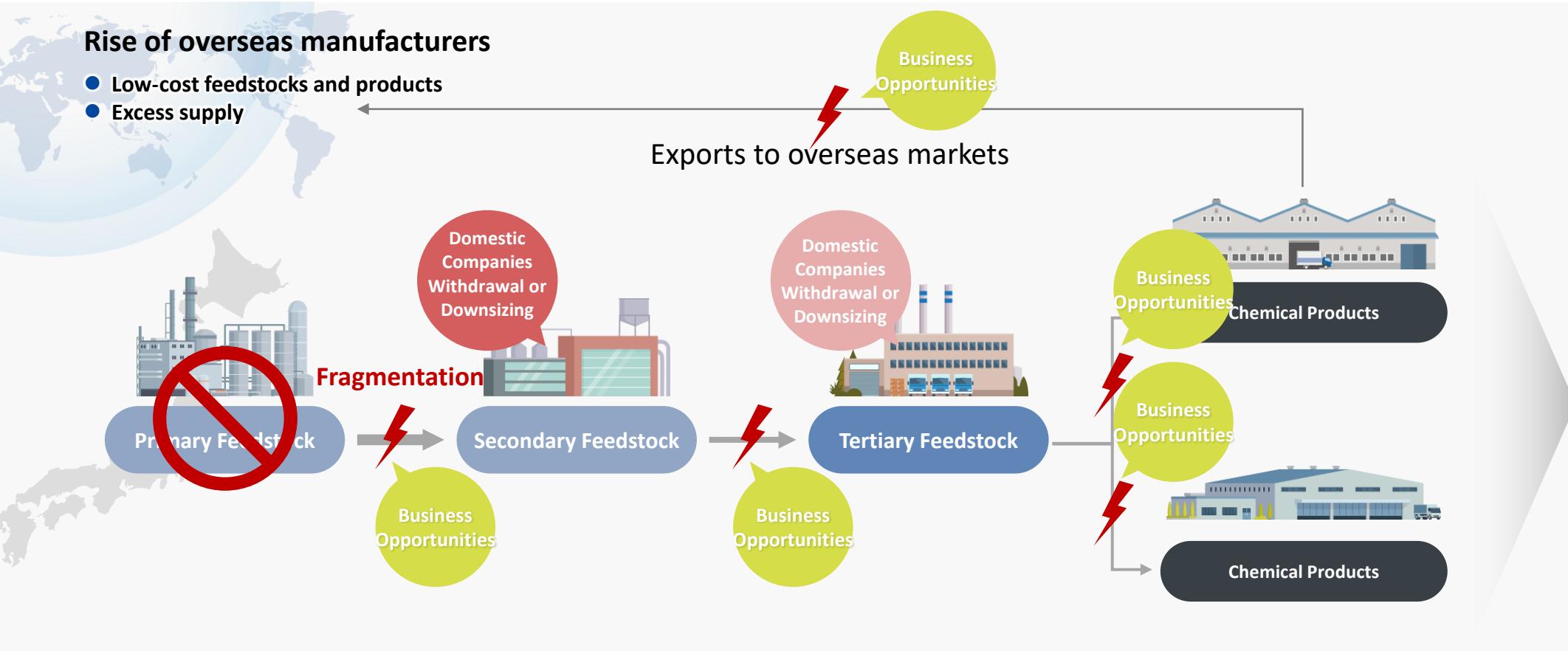
**Kenji Maeda**

**Achieving JPY20.0bn in FY24 from JPY9.3bn in FY19 (before COVID-19 pandemic)**

**Aiming to achieve JPY30.0bn in net profit through enhancement of trading businesses**

**over JPY30.0 bn**





## Various Industries



Excessive competition with imported products leading to **consolidation and rationalization of petroleum refining facilities**, **reduction of feedstock production**, and **withdrawal or downsizing** of domestic manufacturers

**Supply chain fragmentation** may reduce existing trade rights but also create **new business opportunities**



## New businesses created through enhancement of trading businesses

### Steady achievements well received by the market

Sojitz beginning domestic POP sales under agency contract with Chinese manufacturer

双日、POP国内販売  
中国メーカーと代理店契約  
原料先細り見据え手当て

日本向けM E Kオキシム  
中国企業と代理店契約  
Sojitz supplying MEK oxime to Japan via agency contract with Chinese company

Sojitz introducing functional fillers in Japan 3,000 tons supply for electrical materials by 2028

双日、機能フィラー国内投入  
機能化学品ベンゾグアナミン  
双日、中国から輸入  
Sojitz importing functional Chemical benzoguanamine from China

Sojitz supplying CO<sub>2</sub>-derived polyols from China for automotive seat applications

双日、POPOール  
中国からCO<sub>2</sub>由来品  
双日、車シート向けなど  
Sojitz ensuring stable domestic supply of sodium cyanide / potassium cyanide

Sojitz forming JV with U.S. company within several years

双日、車部品向け接着剤投入  
PTPの水平循環構築へ  
双日、伯メーカーと契約  
Sojitz introducing adhesives for automotive components through contract with Brazilian manufacturer

植物由来ナイロン数万トン  
双日、米社と数年内に合弁  
Sojitz introducing plant-derived nylon (tens of thousands of tons)

双日、構造色製品を提案  
中国社製自動車、建築材など  
Sojitz proposing Chinese structural color products for automotive and construction applications

Sojitz Pla-Net launching PP sheet film sales and developing horizontal recycling for PTP packaging

双日、PPシート販売開始  
PTPの水平循環構築へ  
双日、伯メーカーと契約  
Sojitz introducing adhesives for automotive components through contract with Brazilian manufacturer

双日、構造色製品を提案  
中国社製自動車、建築材など  
Sojitz proposing Chinese structural color products for automotive and construction applications

双日、ケミリサ、PA6 欧州で提案  
マテリアルリサイクルPC樹脂  
中国起点に世界展開  
Sojitz expanding material-recycled PC resin globally from China

Sojitz Pla-Net launching multilayer monoaxially oriented film

双日、ISCC認証取得  
中国産RCF  
双日、日本向け供給へ攻勢  
Sojitz expanding supply to Japan

Sojitz Pla-Net launching multilayer monoaxially oriented film

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Sojitz expanding supply to Japan

Source: Chemical Daily

Viewing external environmental changes as opportunities and leveraging future forecasting capability  
for **growth of existing businesses** and **new investments**



Restructuring of  
the petrochemical  
industry

- Restructuring / Downsizing / Withdrawal
- Shift in production bases

U.S. tariffs

- Trade friction
- Transformation of trade flows

Rising  
environmental  
awareness

- Acceleration of decarbonization
- Introduction of carbon taxes

- Selection of priority business areas
- Sustaining production via imported inputs
- Efficiency-focused logistics

- Isolation and closure of the U.S. market
- Diversification of supplier sources
- Creation of new trade flows

- Transition to environment-friendly raw materials
- Development and introduction of recycling technologies

 Expansion of import infrastructure /  
Strengthening logistics functions

 Expansion of U.S. manufacturing business  
Local production for local consumption model  
in areas of expertise

 Environmental businesses /  
Monetization & enhancement

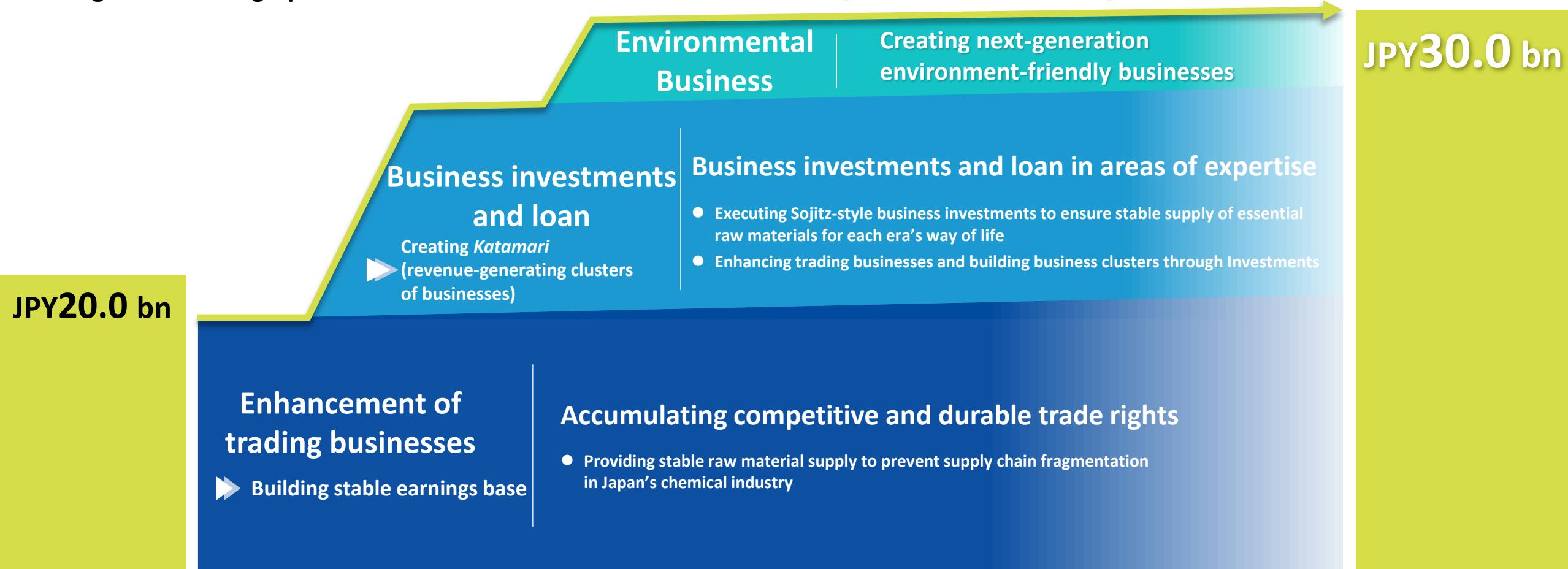
- Global shift to electric vehicles driven by decarbonization **rapidly expanding the Lithium-ion battery (LiB) market**
- Consolidating **NIPPON A&L INC.** as a subsidiary with dominant share **supplying battery materials to the world's No.1 automotive LiB manufacturer**
- **Expanding global sales** through synergies with Sojitz and **enhancing trading businesses** via manufacturing capability **to drive further growth**



**Ongoing pursuit of new investments by leveraging our expertise in trading businesses**

Aiming to achieve **JPY30.0bn** in net profit in the Next Stage  
through three strategic pillars

### Sojitz Growth Story





***New way, New value***

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