



Consumer Industry & Agriculture Business Division



Koji Izutani
Managing Executive Officer, COO
Consumer Industry &
Agriculture Business Division 1
November 29, 2021

Profile



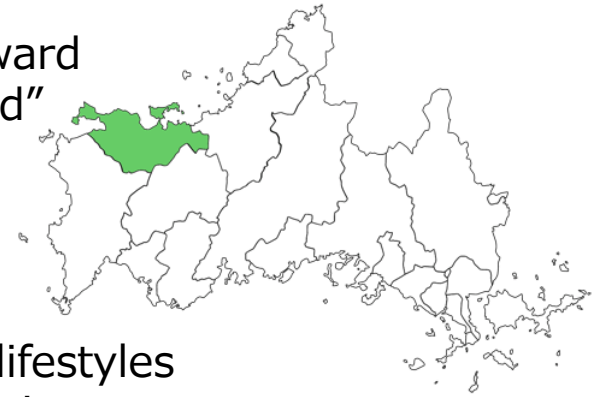
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- Born in 1960 as first son of farmer in Nagato City, Yamaguchi Prefecture
- Biographical Outlines
Joined Fine Chemical Department of Sojitz predecessor, in 1983

Previously stationed in Milan, New York, and Houston, where he has worked in petrochemical, functional chemical, and plastic resin fields

Has experience in fields ranging from chemicals to agricultural

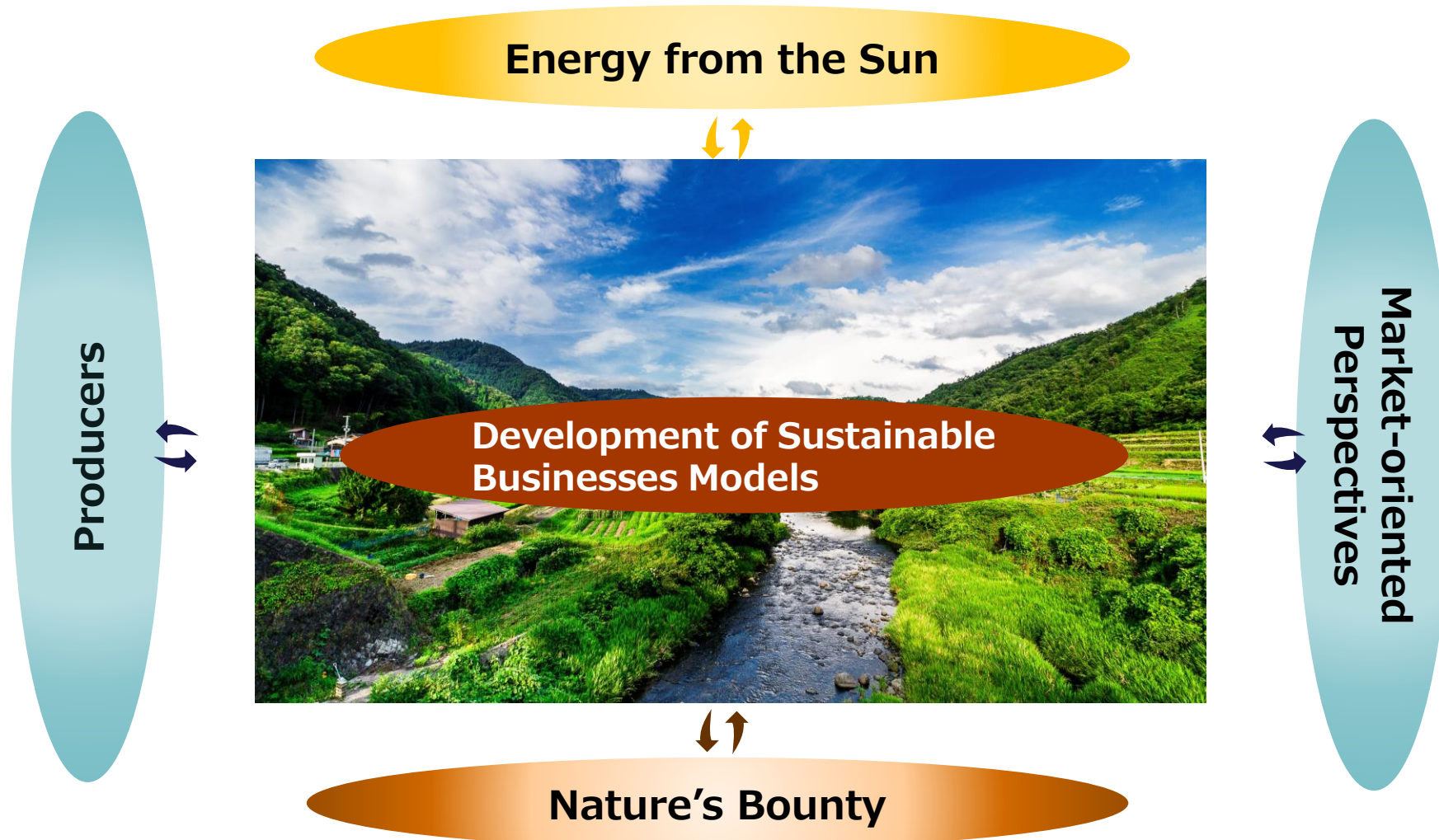
- Acts based on motto of “hard work is reward unto itself, and people are to be respected”
- As a “business farmer,” seek to help
 1. Seek to create safe and secure food
 2. Develop businesses that propose new lifestyles
 3. Resolve issues faced by primary industries



Consumer Industry & Agriculture Business Division

-Division Mission and Goals

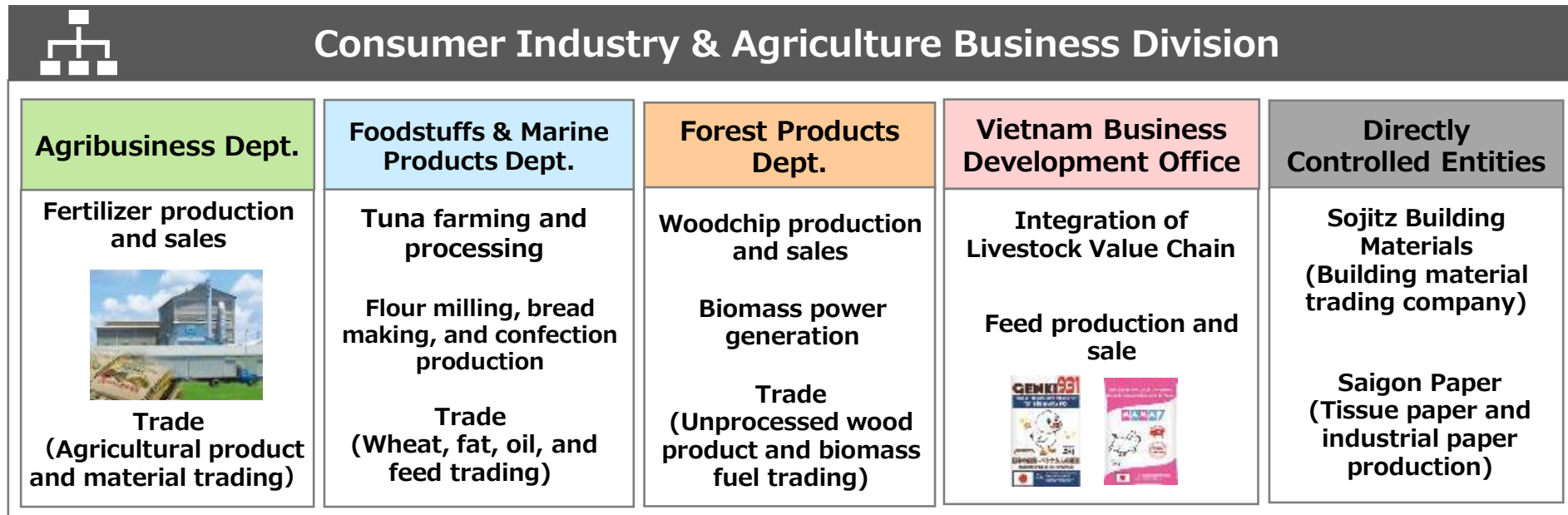
Pursuit of sustainable growth in agriculture, forest product, aquaculture, livestock, and other business areas closely related to consumer lifestyles
Development of sustainable businesses models focused on digitization and markets





Consumer Industry & Agriculture Business Division

-Overview of Division


Division Strengths	Strong business foundation in Southeast Asia	Top class in compound chemical fertilizers in 3 countries	Solid presence in forest products field (including biomass-related resources)
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 Profit for the year
¥4.6bn
Consolidated *1
*1: FY2020

 Total assets
¥210.3bn
Consolidated *1

 Employees
4,134
Consolidated *2






 Group Companies
37
Domestic : 12
Overseas : 25 *2
*2 : As of Oct 1, 2021

 Number of overseas branches & offices
12
Chine 4, Asia 4, *2
North America 3, Europe 1

Growth Strategies Under MTP2023*

*Medium-Term Management Plan 2023

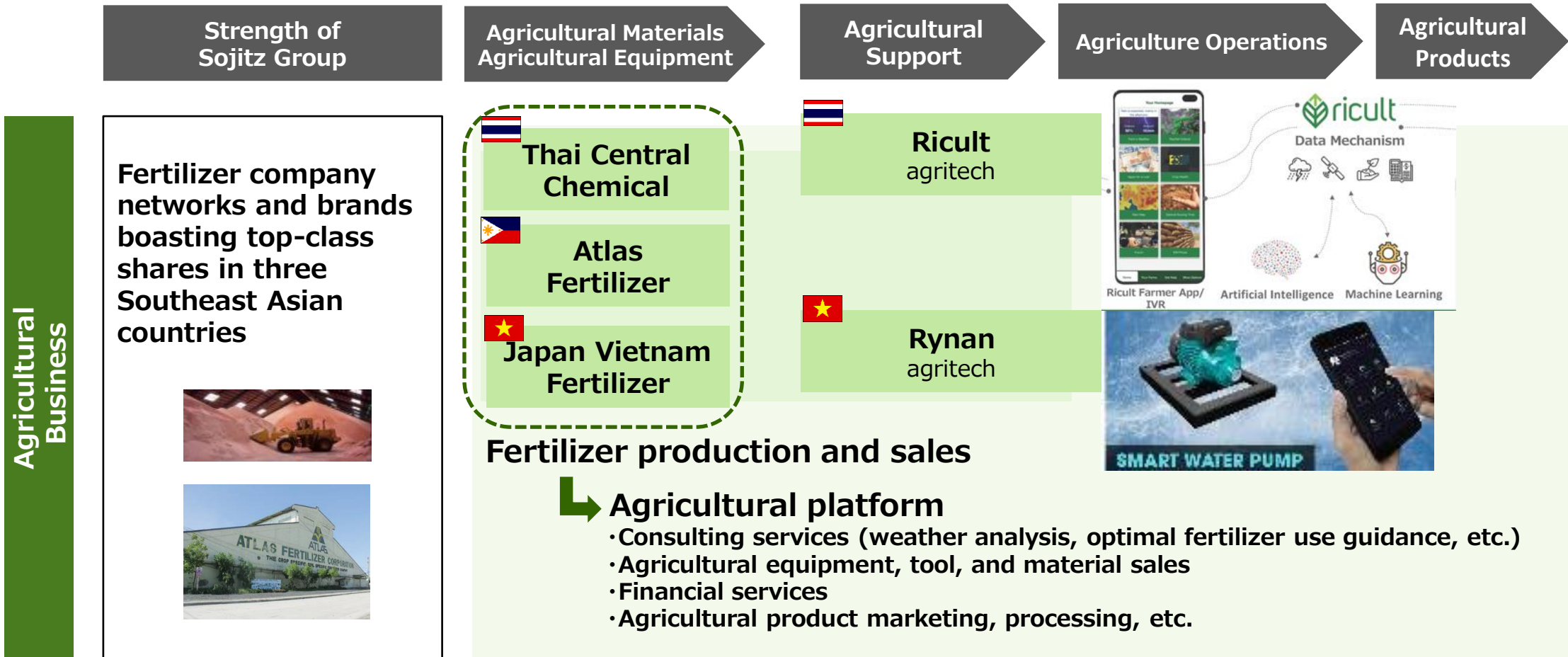
- Pursuit of growth through expansion into peripheral areas of core fertilizer business
- Creation of new core businesses targeting growth in Southeast Asia together with prime partners
- Long-term approach toward invigorating local economies and transforming primary industries in Japan

	Focus Areas	Targeted Business Model	Focus Countries
Areas Central to Growth Strategies	Agriculture business	Transition to agricultural platform model	
	Livestock Protein	Value chain integration	
	Aquaculture		
	Forest products	Sustainable business model development	
Targets of Future Initiatives	Invigoration of Local Economies	Invigoration of local economies (transformation of primary industries)	

Focus Businesses Under Growth Strategies

- Agricultural Business: Transition to Agricultural Platform Model

Development of agricultural platform offering robust lineup of services directly to farmers and other users by leveraging strong fertilizer business platform



Focus Businesses Under Growth Strategies

- Protein Business (Livestock, Aquaculture): Value Chain Integration

Livestock

Development of value chain encompassing livestock fattening, processing, and sales in Vietnam to capitalize on demand within this country and use this country as an export base for exploring other ASEAN markets among rising meat demand driven by improved living standards in ASEAN region

- Meat transactions with Cargill (approx. 50 years)
- Business foundations in Vietnam
- Livestock network in Japan

Strength of Sojitz Group

- Long history in aquaculture trading (numerous fish species)
- Strong presence in tuna industry

Aquaculture



Expand to neighboring countries in ASEAN region



Partnership with Vinamilk
Cattle fattening, processing, etc.



Japan Vietnam Livestock
Beef processing and sales

Production

Processing

Sales



Sojitz Tuna Farm Takashima
Pacific bluefin tuna cultivation



Dalian Global Food
Tuna processing and wholesale



Collaborative initiatives with marine product processing and wholesale

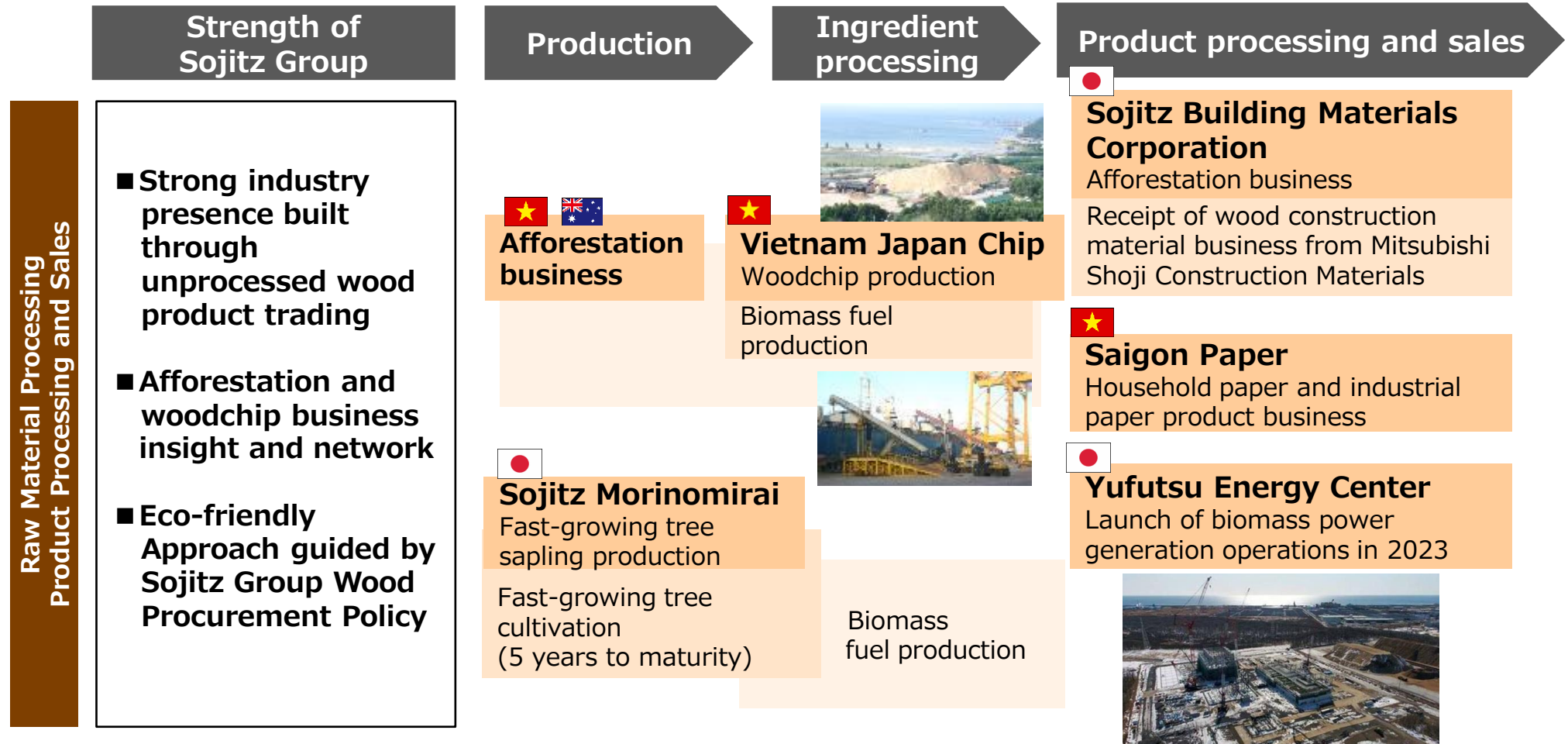


Incorporation of product development capabilities in aquaculture wholesale area to develop value chain encompassing cultivation, processing, and sales to respond to growing global demand for aquaculture proteins

Focus Businesses Under Growth Strategies

- Forest Products Business: Sustainable Business Model Development

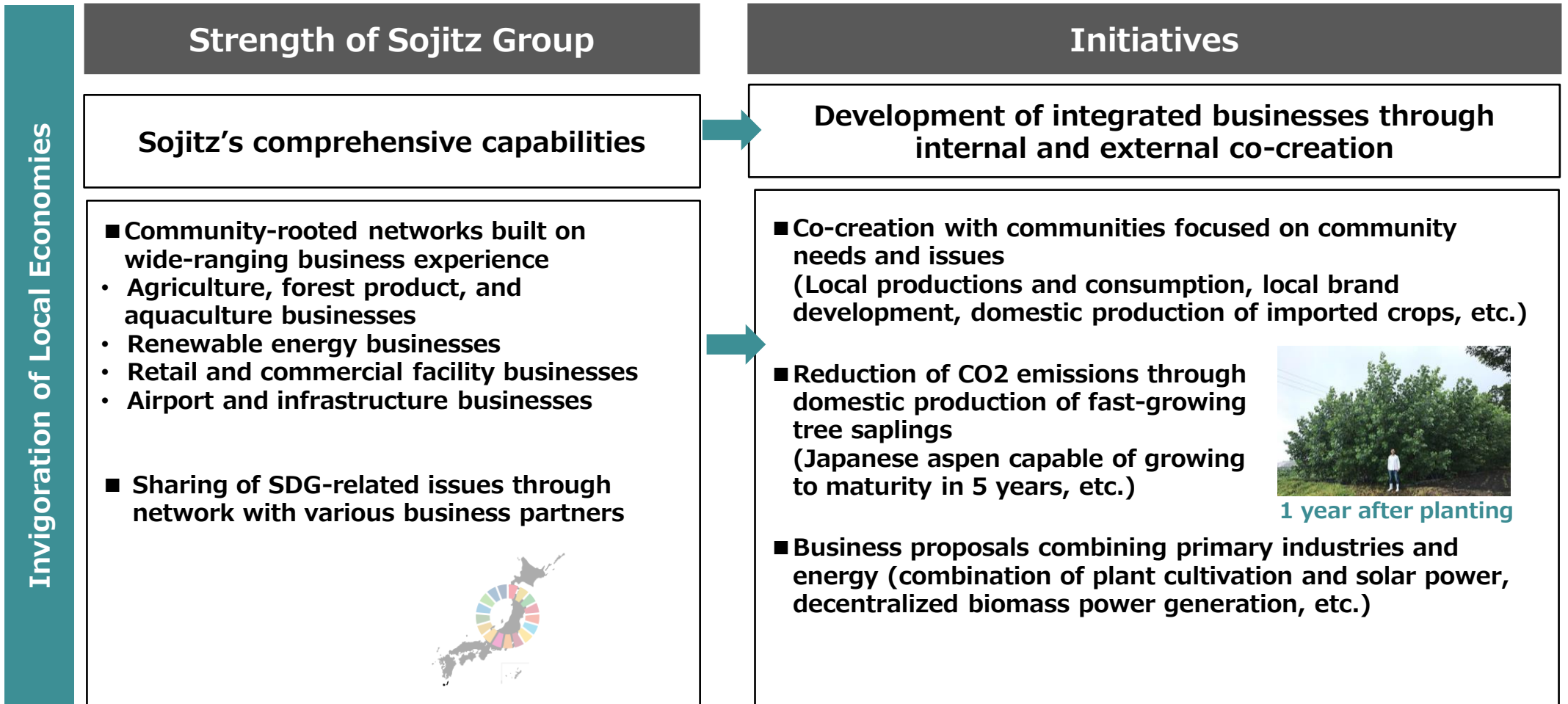
Development of reliable lumber-based product and energy supply chain through sustainable lumber procurement and afforestation



Focus Businesses Under Growth Strategies

- Invigoration of Local Economies: Development of Community-Rooted Businesses

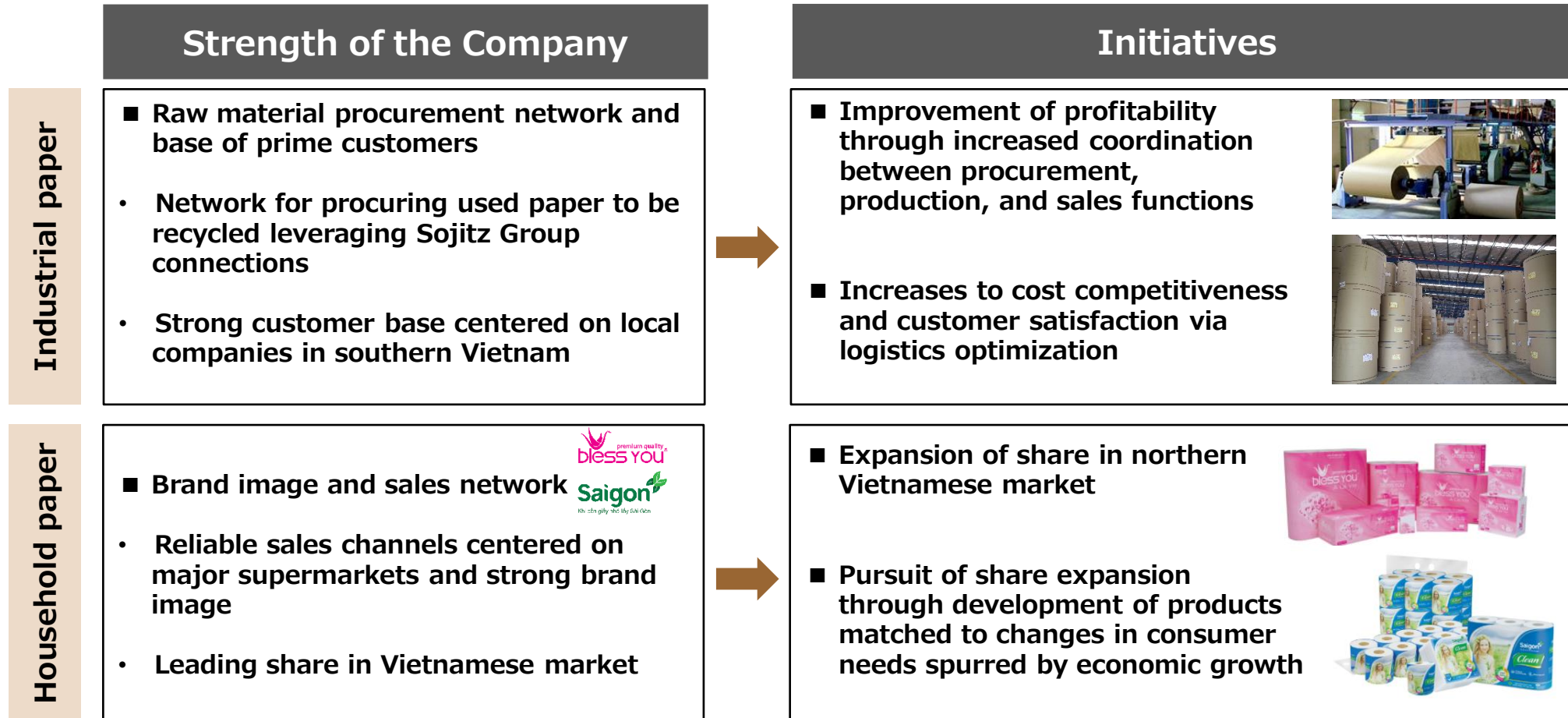
Utilization of Sojitz's strengths to develop community-rooted businesses focused on innovation and synergies between primary industries and energy



Major Initiatives Under MTP2020

- Improvement of Saigon Paper's Value

Development of reliable systems for full production and earnings foundations through operational efficiency improvements aimed at cost reductions and sales increases implemented following June 2018 acquisition



Major Initiatives Under MTP2023

- Integration of Livestock Value Chain through Co-Creation with Vinamilk

Sharing of strengths through joint business with Vinamilk Group, a Vietnamese dairy product manufacturing conglomerate to capitalize on demand by creating new domestic beef market in Vietnam and build foothold for expansion into surrounding countries

Strength of the Company

Co-creation with Vinamilk, a Vietnamese dairy product market leader

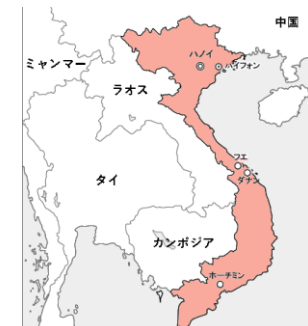
- Sojitz's Japanese-style fattening and processing techniques and beef sales expertise
- Vinamilk's capacity for producing calves with reliable quality, sales network, and brand image



Initiatives

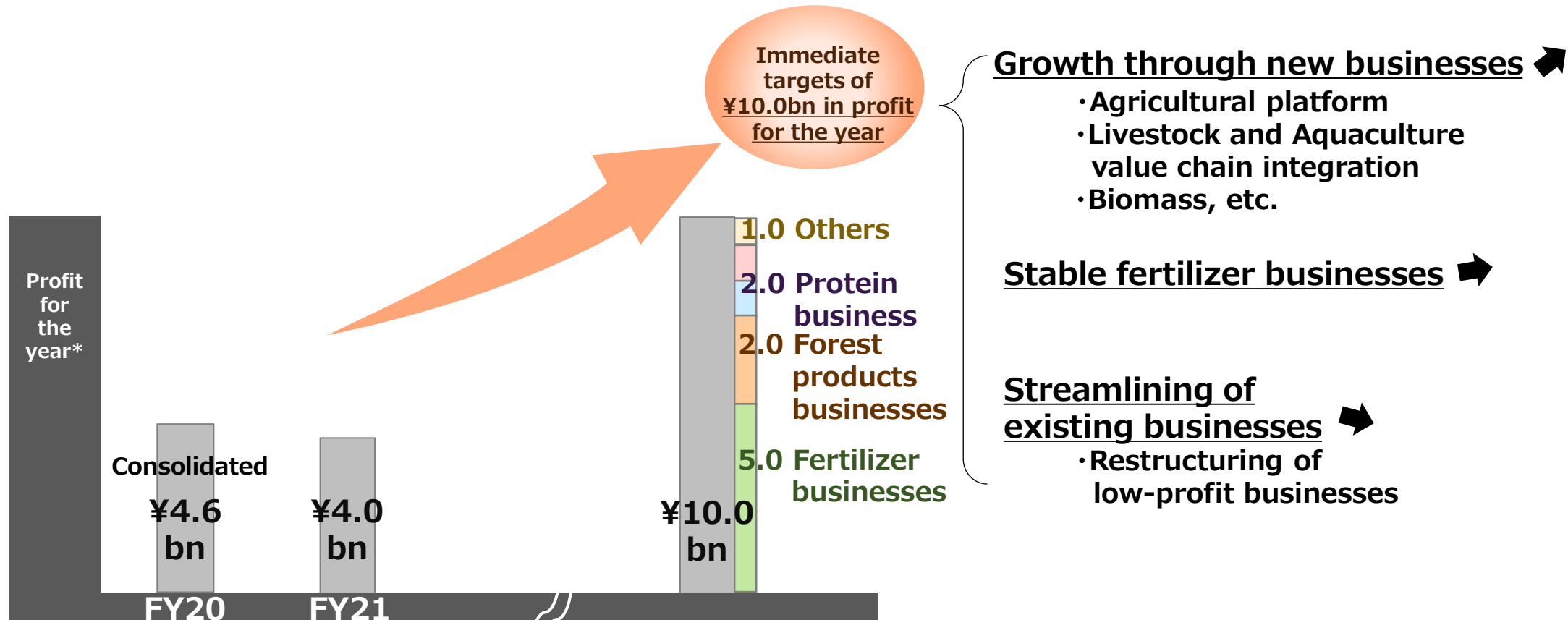
Response to increases in beef demand driven by changes in diets, consumption habits, and purchasing methods accompanying economic growth and rising income levels in Vietnam

- Effective utilization of bulls and cows that have given birth together with Japanese-style techniques to create new market through reliable production of high-quality Vietnamese beef
- Development of animal protein business in Southeast Asia by using Vietnamese market as a foothold



Consumer Industry & Agriculture Business Division -Vision

Transformation of earnings portfolio by streamlining existing businesses while bolstering earnings and quality assets through substantive investments in focus areas



*attributable to owners of the company



Caution regarding Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including the timing at which the COVID-19 pandemic ends, changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.

The company will provide timely disclosure of any material changes, events, or other relevant issues.



New way, New value