

April 22, 2010

Sojitz Corporation

Sojitz Begins Agriculture Business in Japan Using New Technology

—Low-Cost Plant Factory Produces High Value Added Vegetables—

Sojitz Corporation will start agriculture business in Japan using plant factory technologies jointly with Narita Gaiya Agricultural Services Corporation. The two company will lease approximately 3,500 m² of agricultural land in Sosa City, Chiba Prefecture and install the Imec crop production system developed by Mebiol Inc. to produce high value added vegetables such as high-quality tomatoes and agricultural products.

The Imec crop production system is a plant culture technology suitable for vegetable fruits such as tomatoes and strawberries and with the use of a special film can increase the sugar content. Since the plants are separated from the soil, the access of viruses from the roots are prevented and costs for chemicals as well as fertilizers through the use of drip tubes can be reduced. The Imec crop production system is a next-generation agricultural technology that can be used to stably produce delicious, environmentally-friendly, and safe agricultural products throughout the year (year-round supply).

Plant factories using this production system can limit initial investment and operating costs to about one-fifth compared to closed plants that generally use artificial light. They are highly cost competitive over the long term and can produce high-quality, high value added agricultural products, which means that stable production and income can be expected. In addition, agricultural production systems based on scientific data can be created in agricultural production and sales through implementation of this business, and new business models that integrate materials procurement, production, and sales can be established.

Sojitz has positioned agri-business as a priority area in its Shine 2011 medium-term business plan, and this project is one aspect of its move into domestic agriculture. Based on this project, Sojitz will increase the types and volume of agricultural products and expand its sales channels in the future. Sojitz will also expand the agri-business overseas, particularly in South America and Southeast Asia.

Reference

■ Business Overview

Location: Sosa City, Chiba Prefecture
Area: Land: 35 a
Facilities: 19 a
Production items: Tomatoes (high-sugar content cherry tomatoes)
Cultivation method: Mebiol Imec crop production system (drip fertigation)
Production volume: 25 tons planned starting from the second year
* Planting will take place in early June and harvesting will begin in about August

■ Overview of Narita Gaiya Agricultural Services Corporation

Representative: Hiroshi Ijiri
Established: March 2008
Location: Narita City, Chiba Prefecture
Narita Gaiya Agricultural Services Corporation has exemplary farmers from the Japan Brand Agricultural Corporation as well as advanced farming and cultivation technologies. The Ministry of Agriculture, Forestry and Fisheries has awarded on January 14, 2010 the project to be supported under its Plant Factory Expansion Project.

■ Overview of Mebiol Inc.

Mebiol is a university-founded bio-venture that was established with investment from Waseda University. The company conducts research and development in the agri-bio and medical-bio fields on technologies based on hydrogels.

■ Features of the Film

Imec is a technology that uses a hydro-membrane (non-porous hydrophilic film) formed from a hydrogel to cultivate crops separated from the nutrient solution.

The hydro-membrane absorbs water and nutrients from the nutrient solution, but they are not released from the opposite, and as a result, the film surface on the crop side is completely dry. The plants grow numerous roots to absorb water and nutrients in the membrane, covering the surface of the hydro-membrane. Because of the higher absorption capabilities of the membrane caused by osmotic pressure effects, plants produce abundant sugars and amino acids, resulting in highly nutritious crops.