

March 8th, 2017

Sojitz Corporation

Sojitz Establishes Plywood Coating Company
with Seihoku Plywood in Ishinomaki, Miyagi
- Sojitz Marks Entrance into Domestic Japanese Wood Processing -

Sojitz Corporation (“Sojitz”) has established a company to produce coated plywood for concrete forming called Dolphin Coat Corporation (Head Office: Ishinomaki, Miyagi; “Dolphin Coat”), together with Seihoku Plywood Corporation (Head Office: Bunkyo, Tokyo; Representative Director: Atsuhiko Inoue; “Seihoku Plywood”). In May 2017, Sojitz Building Materials Corporation (Head Office: Chiyoda-ku, Tokyo; Representative Director: Tetsuya Onishi; “SBM”) will begin sales of Dolphin Coat’s coated softwood plywood for concrete forming under the company’s original brand name, “Dolphin Coat,” aiming for annual turnover of 6 billion yen by 2018.

Japan has shown increasing momentum towards the utilization of legally-certified domestic lumber in recent years. The Tokyo Organising Committee of the Olympic and Paralympic Games published their “Sustainable Sourcing Code for Timber” in June 2016, encouraging contracted companies to give priority to domestic timber when procuring wood for goods and services. Furthermore, the “Clean Wood Act” (Law Concerning the Promotion of Distribution and Use of Legally-Harvested Timber, etc.) is scheduled to go into effect this May, requiring businesses which handle timber—including timber suppliers, trading companies, and construction companies—to use legally-logged wood. Legal, domestically-sourced timber will be the primary raw material utilized in Dolphin Coat’s business. Through this business, they hope to promote the use of domestic timber which has reached logging age, contribute to the effective use of Japan’s forest resources, and help create sustainable forest management.

For many years, Sojitz Group has supplied forest-certified wood products to plywood manufacturers in Japan under the company’s “Wood Procurement Policy,” established with an eye towards legal compliance, society, and the environment. In entering this processing business, Sojitz will construct a value chain encompassing everything from raw material procurement to manufacturing to sales, thereby establishing a system for safe, secure, and environmentally-friendly supply of wood products. Furthermore, the business will bring Sojitz Group—currently holding the top position in sales of both import and domestic


plywood —together with Seihoku Plywood, one of major Japanese plywood manufacturer Seihoku Group’s core subsidiaries. They aim to promote the spread of coated softwood plywood for concrete forming and will pursue further participation in a manufacturing sector which aims to diversify uses of domestic plywood.

*“Domestic timber,” as it appears in this release, refers to softwood cultivated through afforestation in Japan.

[Sojitz Building Materials Corporation – Company Overview]

Head Office	7-2, Otemachi 1, Chiyoda-ku, Tokyo (Tokyo Sankei Building 21F)
Representative Director	Tetsuya Onishi (Director, President)
Established	April 1982
Total Capitalization	JPY 1,039,400,000
Ownership	Sojitz Corporation – 100%
Main Business	Trading company specializing in sales of construction materials, lumber, housing equipment, and the construction of building interiors
URL	http://www.sojitz-bm.com/

[Dolphin Coat Corporation – Company Overview]

Head Office	1-7, Shigeyoshi, Ishinomaki, Miyagi
Representative Director	Atsuhiko Inoue (President)
Total Capitalization	JPY 98 million
Ownership	Seihoku Plywood Corporation – 51% Sojitz Corporation – 49%
Main Business	Coated softwood plywood for concrete forming Plant production capacity (2 shifts): 500,000 sheets per month(12mm, 3x6)
Number of Employees	Approx. 20 (plan to recruit new staff locally)
Logo	 <p>The logo features a blue cartoon dolphin wearing a white sailor's hat and a black bow tie. Below the dolphin is a blue curved line representing a wave, with the Japanese text 'ドルフィンコート株式会社' (Dolphin Coat Corporation) written in black characters underneath.</p>

[For questions regarding this product, contact:]

Sojitz Building Materials Corporation

East Japan Business Division Plywood Project Office 03-6870-7852

[For questions regarding this release, contact:]

Sojitz Corporation Public Relations Department

03-6871-3404