

Sumitomo Corporation's Initiatives in Asia, a Region Sustaining Robust Growth

1. Narration

Half of the world's population lives in Asia. The region is making dramatic leaps forward in all areas including production, trade and consumption, drawing increasing attention from around the world. Let us give you an overview of Sumitomo Corporation's initiatives in Asia.



2. Asian market trend

Q 2-1: How will the Asian market change over the next few years?

A 2-1: Eri Senaga, Sumitomo Shoji Research Institute, Inc.

Subsequent to the Lehman collapse, it was China and other emerging countries in Asia that served as the engines driving global economic recovery. Asian countries are receiving heightened direct investment from foreign countries, expanding the range of their industries.

Asia has indeed become one of the world's key production centers.

With the ASEAN Free Trade Area scheduled to be completed in 2015, Asian trade is expected to expand even further.



The middle-class population in Asia is forecast to double to two billion by 2020. Increasing urbanization is heightening the need for improved social infrastructure including water supply and transportation. Meanwhile, it is essential for Japan to strengthen its relations with Asian countries as part of its own growth strategy.

3. Sumitomo Corporation's business in Asia

Q 3-1: How is Sumitomo Corporation responding to Asia's progress toward free trade?

A 3-1: Natsu Hashimoto, Global Strategy & Coordination Dept.

In 2008, we established Sumitomo Corporation Asia as a Regional Head Office to address the moves toward free trade and a borderless economy in Asia. Our subsidiaries, branches, and offices in Asia have been integrated under Sumitomo Corporation Asia.

In April 2011, we introduced the Business Unit Management System.

Under this system, the entire Asian region is regarded as one unified market for which strategies are formulated and implemented by product. The new system allows us to develop the Asian market based on more product-specific strategies tailored to the features of each product.



Q 3-2: What kind of projects is Sumitomo Corporation undertaking in the fast-growing Asia market?

A 3-2: Natsu Hashimoto, Global Strategy & Coordination Dept.

We are engaged in the industrial park business in Asia to support Japanese companies transferring production bases to the region. Currently, we are selling industrial park zones in Vietnam, the Philippines, Indonesia, and Thailand. As the China-plus-one strategy gains momentum, we are increasingly approached by potential clients, mainly Japanese companies.



We are also focusing on responding to the enormous demand for infrastructure in Asia. We have received numerous orders for projects involving the establishment of social and industrial infrastructure such as electricity supply, communications, railways, and airports. Our latest achievements include the conclusion of an alliance in water business with a promising Indian company, and the receipt of an order for an air traffic control system in the Philippines.

In China, where environmental issues are receiving heightened attention, Japanese expertise in the field of environmental protection and renewable energy is spotlighted. In partnership with major local companies in China, we are undertaking waste home-appliance recycling, wind power generation, and wastewater treatment.



4. Ending narration

In Asia, a region enjoying robust growth, Sumitomo Corporation is thus involved in a wide spectrum of business fields ranging from the construction of infrastructure facilities that underpin economic development to environmental solutions that help achieve a sustainable society. For further details, please see the contents under Sumitomo Corporation's Global Business—Asia.