

December, 14, 2020

Start of Consideration on Operationalization of Green Hydrogen Production, Liquefaction, and Import Jointly with Fortescue Metals Group in Australia and Kawasaki Heavy Industries

Iwatani Corporation (head office: Osaka and Tokyo; president: Hiroshi Majima; capital: 35 billion yen) is pleased to announce that we will start consideration to operationalize green hydrogen production, liquefaction, and import to be performed jointly with Fortescue Metals Group (hereinafter, "Fortescue"), an Australian mining company, and Kawasaki Heavy Industries, Ltd. (hereinafter, "KHI") with a view to establishing hydrogen supply chains in the future.

Under the MOU, the three parties plan to investigate the production of liquid hydrogen from renewable energy in Australia and overseas for import into Japan.

Fortescue is a global leader in the iron ore industry and in line with its industry leading target to achieve net zero operational emissions by 2040, it is pursuing new opportunities in renewable energy and green industries, including green hydrogen. We will form a consortium with Fortescue and KHI, a cryogenic equipment supplier, to consider the establishment of a commercial green hydrogen supply chain into Japan.

Amid rising environmental awareness worldwide, expectations are placed on the use of green hydrogen energy. To achieve a carbon-neutral and carbon-free society, which the Japanese government has declared as a goal, we will make efforts for social contributions by securing a large amount of inexpensive liquid hydrogen overseas and embodying the social implementation of the large-scale use of hydrogen, the ultimate clean energy.

Since 1941, when we began to handle hydrogen, we have built a comprehensive network nationwide ranging from production to transport, storage, supply, and security. We constructed Japan's first liquid hydrogen plant in Sakai-shi, Osaka in 2006, and are now Japan's only liquid hydrogen supplier that has an annual liquid hydrogen production capacity of 120 million m^3 (3 bases, 6 plants). In addition, we possess compressed hydrogen plants at 10 locations across Japan. By leveraging the overwhelmingly superior business foundations, we have a 70% share in the hydrogen market in Japan. As a leading company in the hydrogen business, we will continue to implement activities to achieve a hydrogen energy-based society by using our accumulated technologies and expertise.