

Note: The following is an English translation of the Japanese-language original.

June 12, 2024

[Press Release]

Japan Petroleum Exploration Co., Ltd.
Mitsubishi Gas Chemical Co., Inc.
IHI Corporation
Mitsui & Co., Ltd.
Mitsui O.S.K. Lines, Ltd.

Adoption of the Survey for establish an ammonia supply base in Soma area, Fukushima Prefecture, for the FY2024 “Subsidy for Measures to Promote Introduction of Non-Fossil Energy (Hydrogen Supply Infrastructure Improvement Project)”

Japan Petroleum Exploration Co. Ltd. (Head Office: Tokyo, Representative Director and President: Michiro Yamashita), Mitsubishi Gas Chemical Co., Inc. (Head Office: Tokyo, Representative Director, President: Masashi Fujii), IHI Corporation (Head Office: Tokyo, CEO: Hiroshi Ide), Mitsui & Co., Ltd. (Head Office: Tokyo, President and CEO: Kenichi Hori), and Mitsui O.S.K. Lines, Ltd. (Head Office: Tokyo, Representative Director, President, Chief Executive Officer: Takeshi Hashimoto) (hereinafter collectively the “Five Companies”) have applied for the FY2024 “Subsidy for Measures to Promote Introduction of Non-Fossil Energy (Hydrogen Supply Infrastructure Improvement Project)” (hereinafter the “Public Solicitation”) from the Consortium for Resilient Omni-energy supply System (hereinafter “CROS”) *¹ for the Survey for establish an ammonia supply base in Soma area, Fukushima Prefecture (hereinafter the “Survey”), and the Survey has adopted on May 30, 2024.

Ammonia is a raw fuel expected to be utilized in various applications toward realizing carbon-neutral society in 2050. Ammonia is also promising as a hydrogen carrier that converts hydrogen to other states or materials for storage and transportation and is expected to play a significant role in building hydrogen society, which utilizes hydrogen as a common energy source. The Japanese government is working strategically with public and private sectors to develop international standards that accurately seize strengths of fuel ammonia-related technologies and lead the market. In addition, the Japanese government submitted to the Diet for the Bill for the Act on Promotion of Supply and Utilization of Low-Carbon Hydrogen and its Derivatives for Smooth Transition to a Decarbonized, Growth-Oriented Economic Structure (Hydrogen Society Promotion Bill) and has been enacted.

The Public Solicitation is for CROS to partially subsidize cost of the feasibility studies for constructing supply infrastructure for hydrogen and other resources and to provide accompanying support for the feasibility studies. The purpose of the Public Solicitation is to create large-scale needs for the use of hydrogen, etc., and to construct a supply chain that enables economical, efficient, and autonomous development.

In January 2024, the Five Companies began the joint study that aims to establish a base for receipt, storage, and supply of ammonia in Soma area of Fukushima Prefecture and realize a business that enables supply of

ammonia to the broader region of north Kanto, mainly Soma and vicinity, Tohoku and Hokkaido regions^{*2}. As part of the joint study, the Five Companies applied for the Survey in the Public Solicitation and has been adopted as a result of the screening process. From now on, the Five Companies will conduct survey and study specifications of the ammonia base needed to build the base, as well as survey of vessels and study of business models.

The Five Companies will bring together the knowledge of each company to expand the circle of decarbonization in the broader region of north Kanto, Tohoku and Hokkaido regions using Soma area as a base and building an ammonia supply base that will contribute to the region's economic development. In the Survey, with the cooperation of Fukushima Prefecture, Soma City, and Shinchi Town, combination of public and private sectors will work toward realizing the project that will contribute to regional decarbonization and economic development.

Notes)

*1: A consortium that conducts projects to improve the productivity of petroleum refiners, establish a stable supply system for non-fossil next-generation fuels, and accelerate the social implementation of hydrogen and other resources.

*2: Please refer to the joint press [Commencement of Joint Study to Establish Ammonia Supply Base in Soma Area, Fukushima Prefecture](#)

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