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UACJ IR Day 2021

Current Status and Outlook on Flat Rolled Products Business

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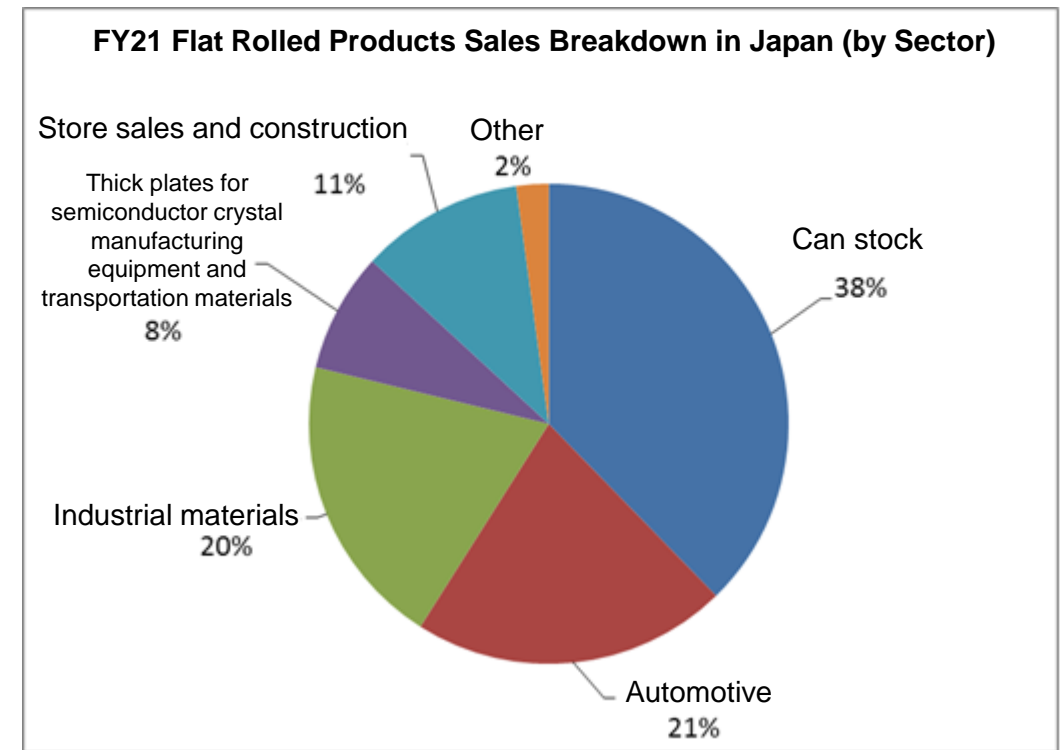
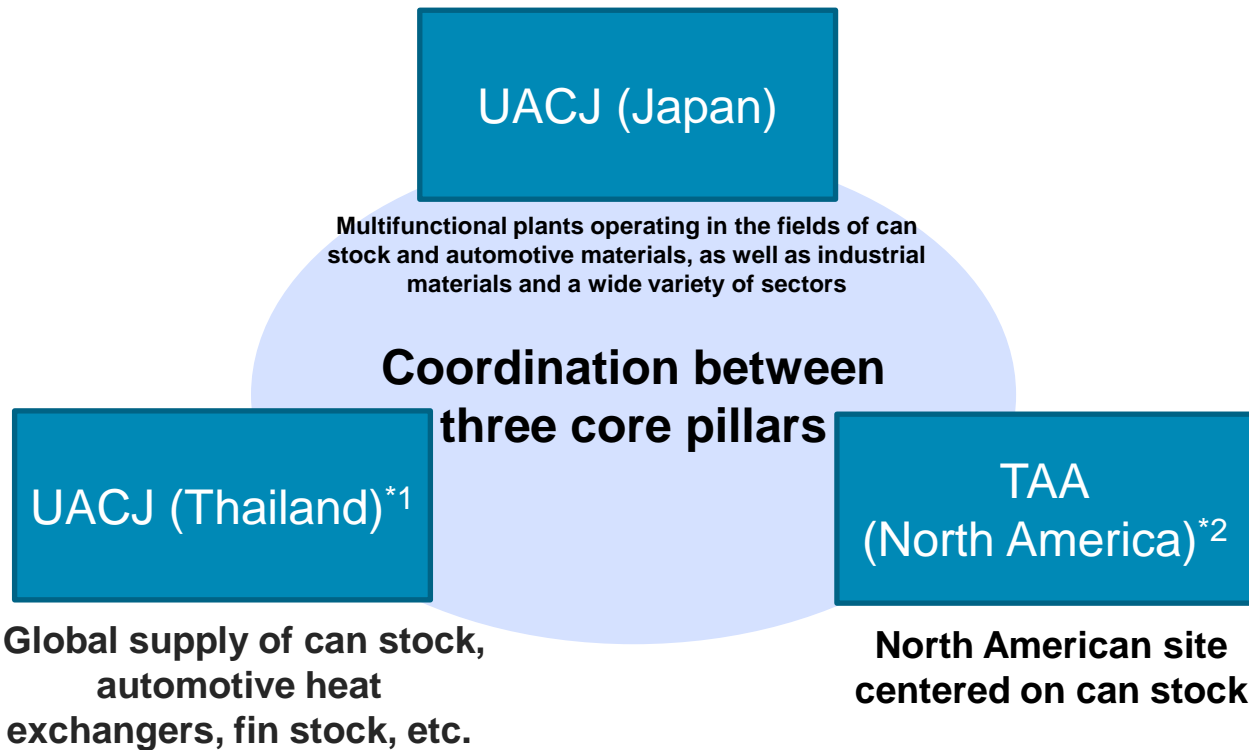
June 8, 2021

UACJ Corporation



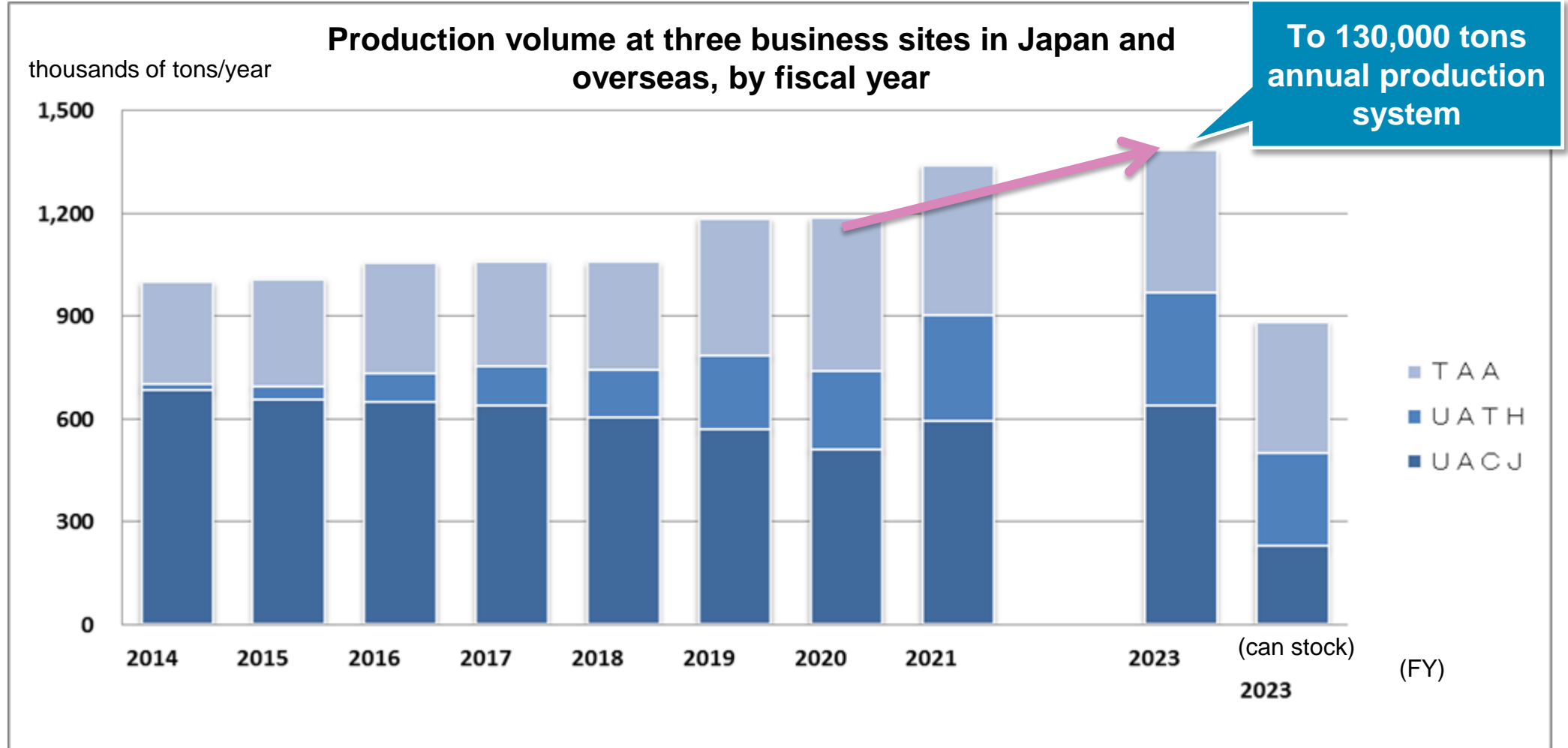
1. Overview of Flat Rolled Products Business and Business Domains

Characterized by ability to supply flat rolled aluminum to a broad range of sectors and regions, including can stock and automobiles



2. Three-Pillar Sales Volume (by Fiscal Year)

Actively developing global supply from three global pillars of TAA, UATH, and Japan
120,000 tons in FY20 → at least 130,000 tons in FY23



2. Strengthening System Centered on Three Core Pillars

Aiming to expand can stock sales globally by utilizing a global supply system centered on three core pillars

Japan: Complete structural reforms

Improving income and enhancing marginal profit ratio by completing structural reforms

- Expanding sales of key products
- Strengthening environmental response

UATH : Production of 320,000 tons + α

Increasing productivity and sales volume by fully utilizing existing facilities

- Localization of manufacturing site operation
- Implementing measures to enhance earnings
- Global reach to North America

TAA : Capture robust North American demand

Maintain profitability and optimize performance from recent investments

- Expand sales through collaboration with UATH/Japan
- Pursue opportunities to further expand production capacity

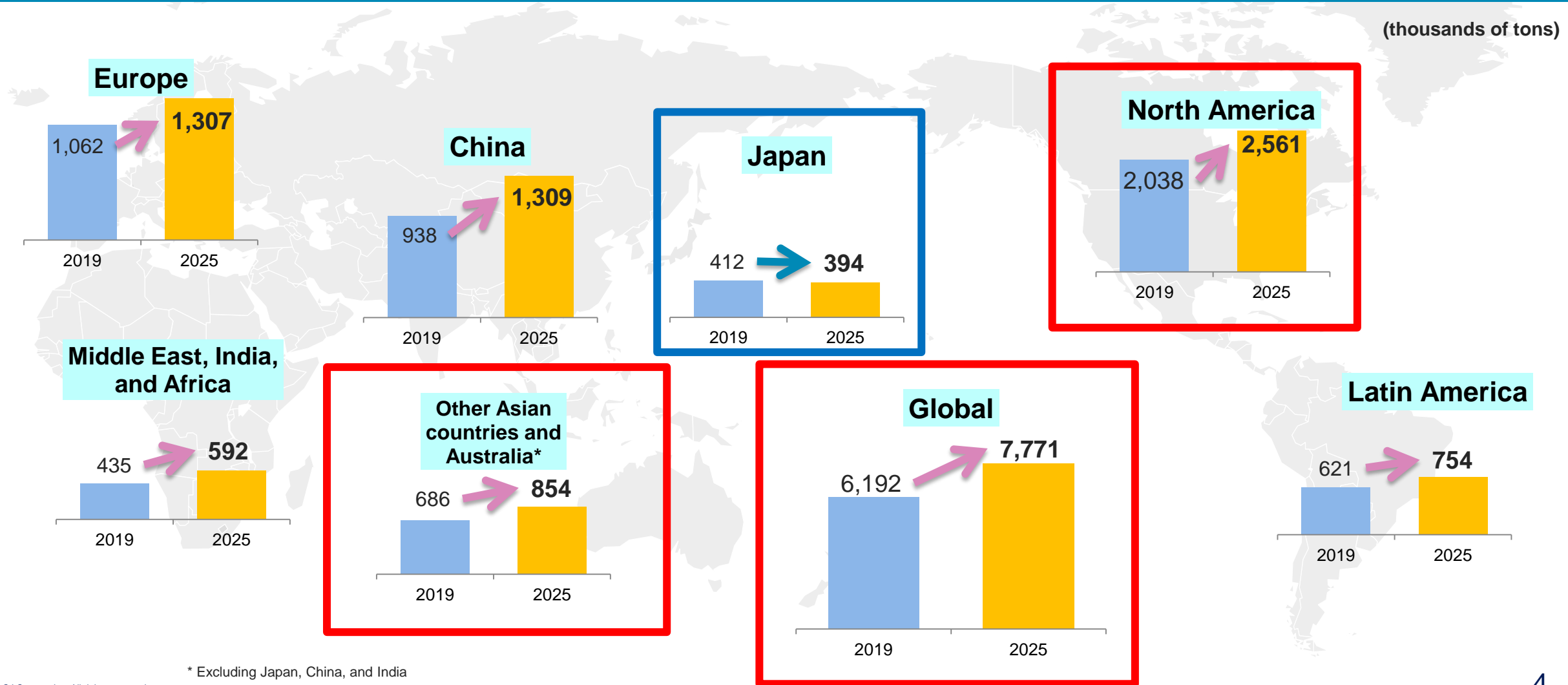
Flat Rolled Products Division Ordinary income +¥18 billion

Strengthening support through a three-pillar operational system and supporting higher efficiency at manufacturing sites

- Strengthening can stock sales to global customers through cooperation between three core pillars
- Leverage opportunities with strong North American market
- Sharing technology and manufacturing expertise between three core pillars

3. Demand for Can Stock per Region

Global can stock demand is increasing, centered on North America

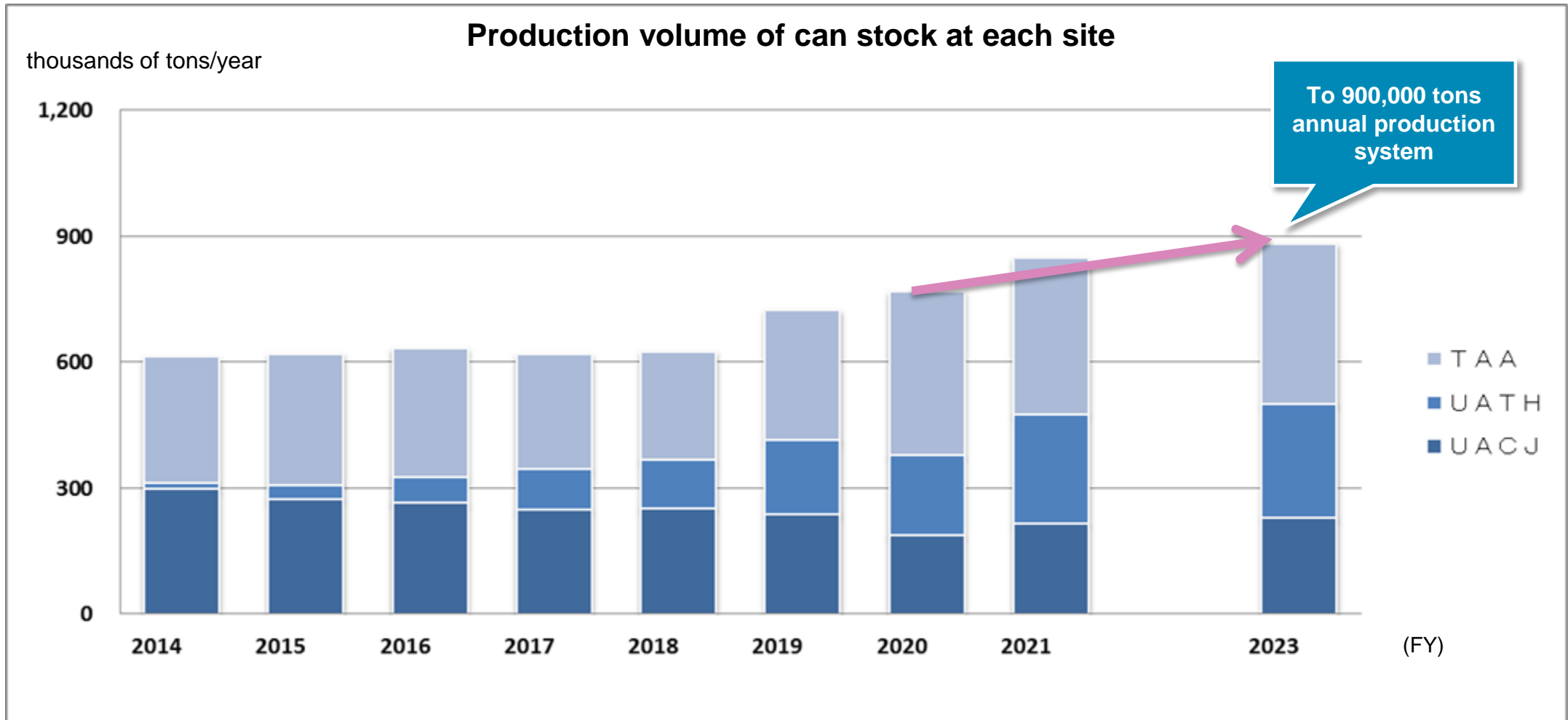


* Excluding Japan, China, and India

* Source: CRU Aluminium Rolled Products Market Outlook November 2020 Report

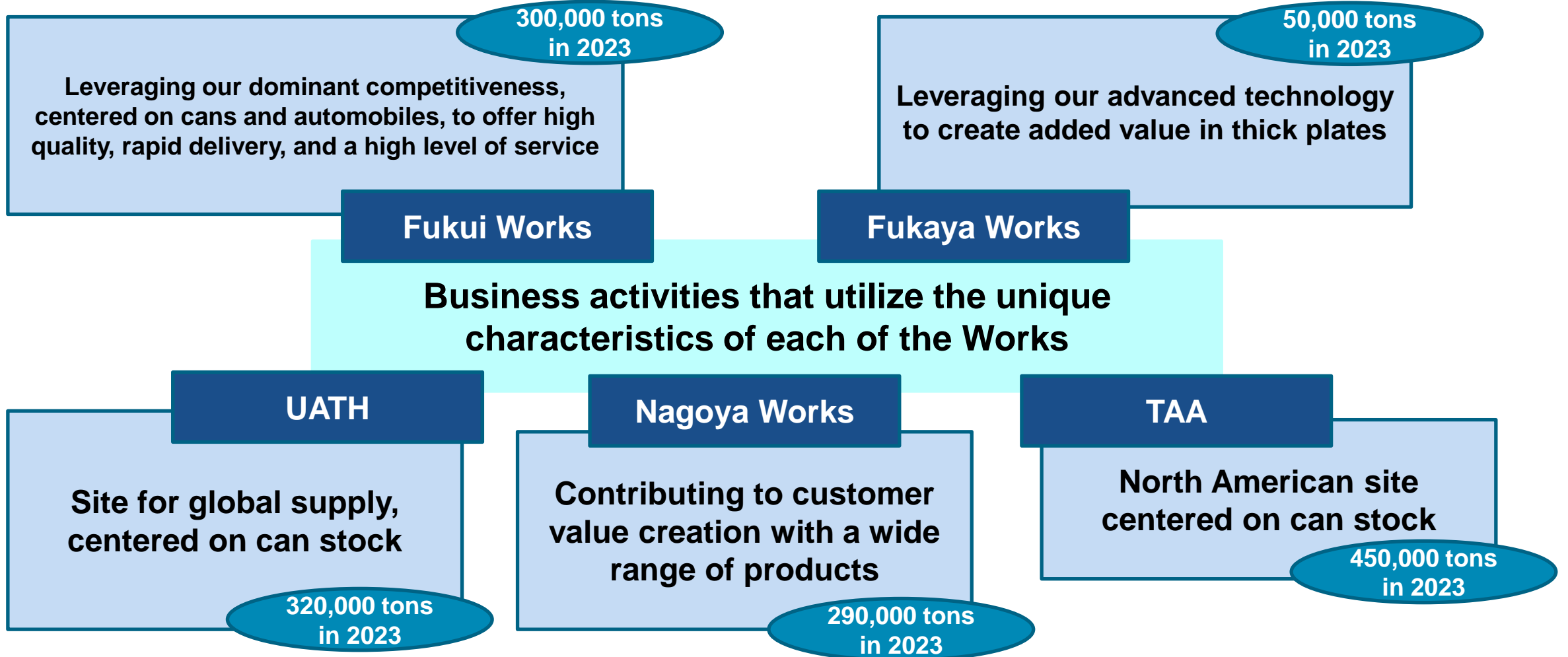
3. Three-Pillar Can Stock Sales Volume

Increasing volumes with global supply, particularly centered on can stock
800,000 tons in FY20 → targeting 900,000 tons by FY25

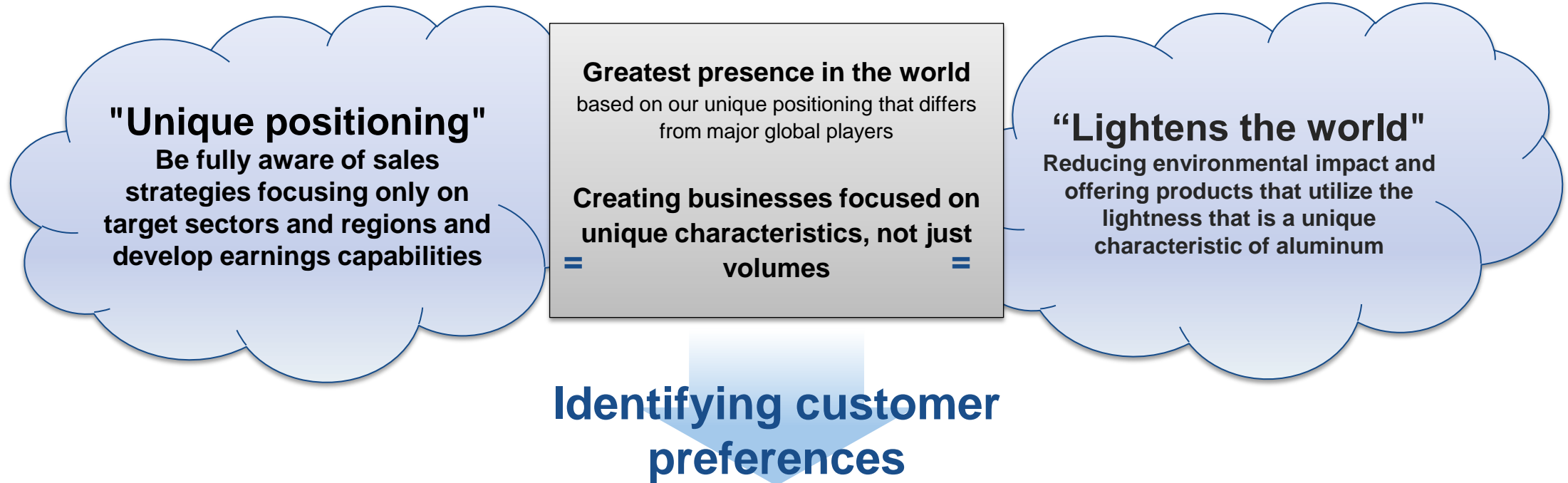


4. Characteristics of Each Works

Business development that utilizes our various product design capabilities and production capacity in a way tailored to our diverse range of customers and needs

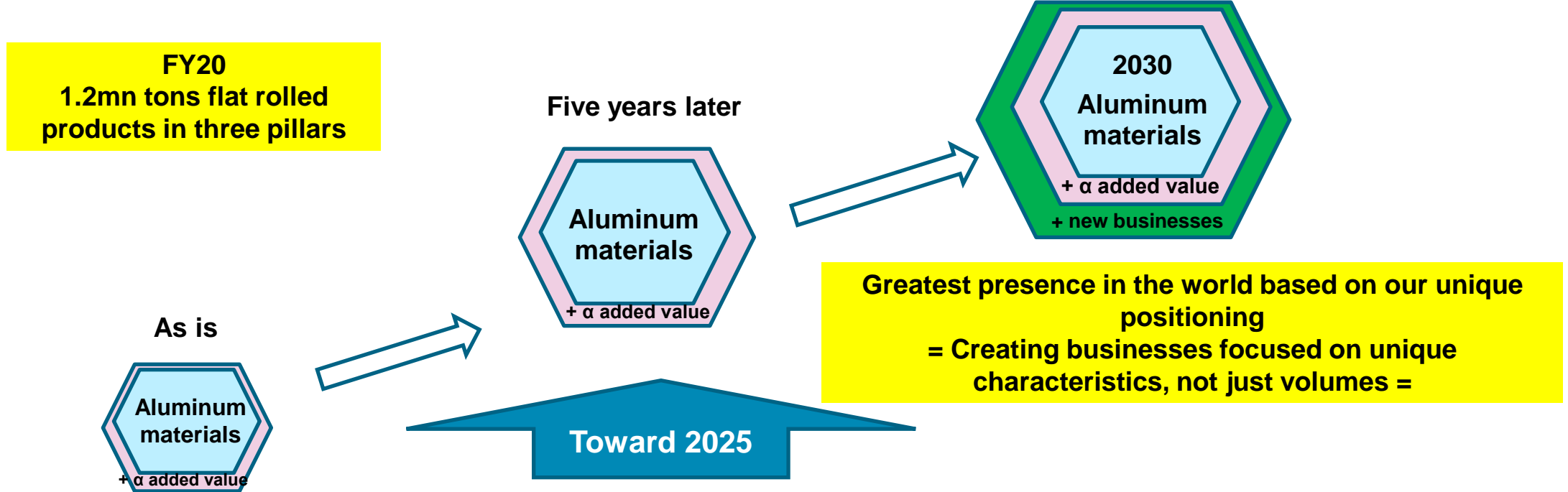


5. Future Direction – 2030 Vision for the Flat Rolled Products Business



Key sectors	Unique positioning
Can stock	Promote Can to Can recycling
Automotive materials	Develop materials that pursue machinability and recyclability
Industrial materials	Develop products that aim to reduce environmental impact
Thick plates	Offer added value through coordination with machining

5. Future Direction – Major Policies and Key Issues



Major policies	
Global development	Promote diversification of products and regions, and focus on key regions
Differentiation	Develop a wide range of materials that leverage the unique characteristics of aluminum and promote recycling
Reducing environmental impact	Further promote recycling activities Reduce impact across the whole supply chain

Key issues	
Improve profits	Optimize productivity, improve income, control fixed costs
Improve finances	Reduce inventory assets, and prioritize cash flows and capital efficiency
Heterogeneity and diversity	Promote recycling and new businesses, and strengthen diversity and flexibility
Strengthen foundations	Talent development: Educate and invest in personnel that will act as the foundation for our activities
	Marketing capabilities: Understanding of the market and supply chain, educational activities concerning switching to aluminum
	Utilize the digital transformation: Utilize digital technologies to fulfill market needs, utilize data, implement safety measures, and promote automation

5. Future Direction – Key Regions toward 2025

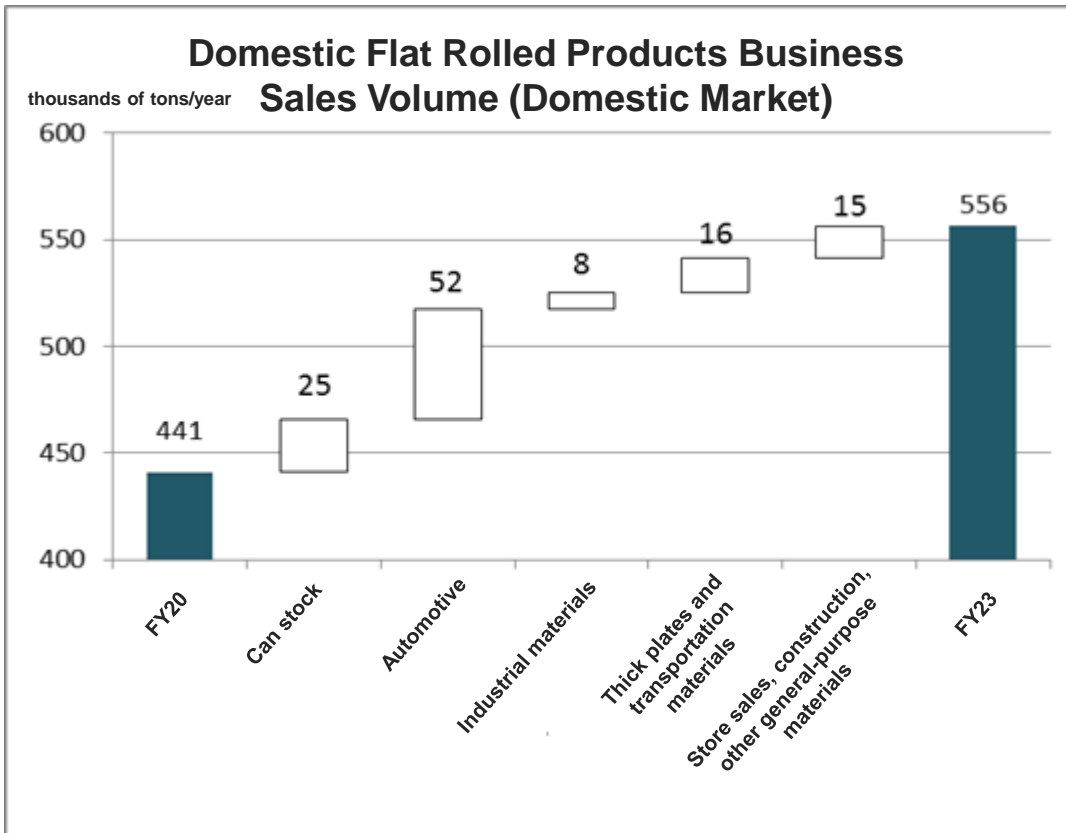
: Region to focus on
 : Region to watch
 : Will sell if opportunities arise

Sector	Japan (domestic)	China, South Korea, Taiwan	Southeast Asia	North America	Other
Can stock	Region to focus on	Region to watch	Region to focus on	Region to focus on	Region to focus on
Automotive	Region to focus on	Region to watch	Region to focus on	Region to focus on	Region to watch
Industrial materials	Region to focus on	Region to watch	Region to focus on	Region to watch	Region to watch
Thick plates, transportation materials	Region to focus on	Region to watch	Region to watch	Region to watch	Will sell if opportunities arise
Coil centers	Region to focus on	Will sell if opportunities arise	Will sell if opportunities arise	Will sell if opportunities arise	Will sell if opportunities arise

Business development centered on Japan, Southeast Asia, and North America toward 2025

5. Domestic Flat Rolled Products Business

Capturing demand through differentiation centered on foundational sectors of can stock and automotive materials



Strategy by sector

Sector	Market	Policy
Can stock	Domestic	➔ While maintaining strong relationships with customers, expand market share and stimulate can stock demand
	Industrial materials	➔ Foil: ✓ Strengthen the foil and battery materials business to capture more demand for lithium-ion batteries ➔ Fin: ✓ Develop heat exchange and coating materials to differentiate UACJ to customers who are interested in reducing environmental impact and recycling ➔ Battery materials: ✓ Secure cost competitiveness and supply capacity to enable UACJ to respond to market expansion ➔ IT: ✓ Develop environmentally friendly products
Automobiles	➔	✓ Strengthen cost competitiveness by improving yields at Fukui Works ✓ Build quality and establish recycling models to enable us to differentiate ourselves in terms of finishing and recycling
Automotive heat exchangers	➔ EV/FCV	✓ Aim to cut CO ₂ and capture electrification demand
Thick plates, transportation materials, and casting and forging	➔	✓ Aim for differentiation by improving quality and using digital technology to receive orders



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