日本化学産業
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Business Briefing
-FY2024 Financial Results and Progress of the Mid-term Management Plan-

Q&A [Summary]

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[About the Advanced Metals Recycling Business]

Q1 What kind of "advanced technology" do you own?

A1 There is a wide variety of battery waste materials, and the types of impurities and the properties of the waste materials vary depending on the customer. Not everything can be handled in one way. We have earned a strong reputation for our ability to respond based on the accumulation of separation and refining technologies over many years, such as process design tailored to waste materials and technology that can be used for a wide range of products that cannot be handled by other companies.

Q2 You say that it is necessary to "establish a supply chain", but how do you secure it?

A2 Currently, there is little recycled material from used waste batteries, and the main source is processed waste from battery manufacturing plants. The source, type, and amount of waste materials from the battery manufacturing process have been determined. First of all, this supply chain is being considered, and our initial goal is to enter this supply chain. In addition, we believe that in the future, a broader supply chain will be required, not limited to a fixed supply chain such as waste materials from the battery manufacturing process. We also want to establish a new supply chain with our strategic partners for the time to come.

Q3 What is your position in the industry?

A3 In Japan, recycled materials from used waste batteries are still scarce, and recyclers are currently working to enter the supply chain to process waste generated from battery manufacturing plants. We are one of the companies that are considering this. In order to become part of the supply chain, we are building a pilot plant in Fukushima Prefecture for the purpose of technology demonstration. First of all, the customer's recognition of the process and results developed in this pilot plant will lead to the construction of a commercial recycling plant.

Q4 How will you make a profit from this business?

A4 We are discussing the process with customers to determine costs and CO_2 targets. One of the targets is to reduce the cost and minimize CO_2 emissions compared to the current ore-derived raw materials (nickel, cobalt, lithium, etc.). We want to agree on that value as added value and make a profit.

[Recognition of the external environment]

Q5 What kind of impact do you think the changes in the electric vehicle market environment during the Trump administration had?

A5 In the automotive battery market, the market environment has changed from the forecast of rapid expansion to a cautious view due to the revision of support measures in the major countries, and we believe that growth has reached a temporary pause. In addition, we are aware that price competition will intensify due to the remarkable rise of Chinese companies and the increase in the market share of Chinese products, which will have an impact on the Company. Under these circumstances, we believe that it is important to make preparations with an eye on the future, such as the construction of technologies and supply chains, so that we can demonstrate our presence when the market finishes its plateau and shifts to a growth position again.

Q6 Under the current environment, are there any new issues that have come to light in terms of battery materials in the Mid-term Management Plan?

A6 With regard to battery materials, we will continue to share goals with our customers and conduct joint business based on the same approach as in the past, but at the same time, we recognize that the challenge is to propose products with new concepts that make use of our characteristics and technologies. The use of recycled raw materials, the development of high-energy-density products, and the proposal of new manufacturing processes are considered to be issues.