

Underwriting of Capital Increase by Shareholder Allocation at Iharabras

Mitsui Chemicals Agro have decided to underwrite a scheduled capital increase by Brazilian agrochemical vendor IHARABRAS S/A. INDÚSTRIAS QUÍMICAS (head office: Sao Paulo (State), Brazil).

Originally founded as a Brazil sales office for a Japanese agrochemical manufacturer in 1965, Iharabras has in recent years boosted its sales revenues by establishing its own sales channels and expanding sales to produce having large markets (soybeans, corn, etc.). With its major Japanese shareholders underwriting a capital increase, Iharabras will see its financial base substantially enhanced, which should enable it to expand agrochemical sales for produce with large markets, upgrade its product portfolio, and develop/introduce new high-value-added agrochemicals to become an even greater presence in the Brazilian market.

Brazil's agrochemical market topped US\$11.9 billion in 2014, accounting for more than 21% of the world's agrochemical market. The country is expected to see strong long-term growth due to its extensive farmland, plentiful water resources, and stable climate, and is an attractive market for Japanese agrochemical manufacturers offering numerous products that have proven highly effective for a variety of produce.

Mitsui Chemicals Agro will take advantage of Iharabras' presence and experience as a sales company for Japanese agrochemical manufacturers in Brazil to reinforce and expand the company's business base in Brazil, the world's largest agricultural market, in line with their respective business strategies.

【Company Profile: Iharabras】

President : Mr. Julio Borges Garcia
Established : 18th March 1965
No. of employees : 640 (2015 March 31)
Capital of after capital Increase : BRL 623million