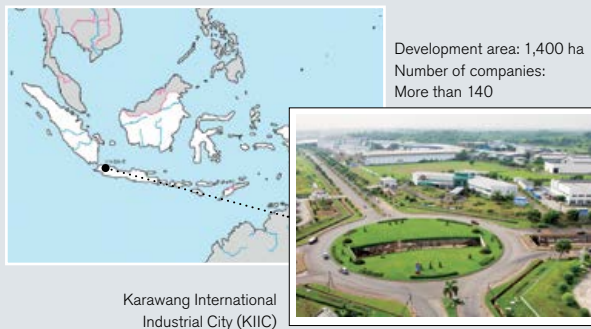


# Karawang International Industrial City—High-quality Infrastructure that Creates Complementary Relationships with Partners

## Providing the High Value Added of Japanese Quality

Karawang International Industrial City was started in 1992 as a 50:50 investment between ITOCHU and Sinar Mas, a large Indonesian conglomerate. Approximately 140 companies have moved onto a site of more than 1,200 hectares, and about 85% of these are Japanese companies. The industrial park provides high-quality infrastructure that enables companies advancing into Indonesia to concentrate on manufacturing. This infrastructure includes land, buildings, and stable supplies of electricity and industrial water, as well as excellent security. Currently, the phase 3 expansion work is under way, and plans call for the area of the site to be expanded by a further 200 hectares.



At Karawang International Industrial City, ITOCHU and Sinar Mas are active in more than just financial areas. We also operate the park by maintaining our complementary relationship based on each other's strengths.

In Indonesia, where the acquisition of industrial sites by corporations is restricted, the connections and presence of a powerful local corporate group, such as those of Sinar Mas,

are indispensable. Sinar Mas has fully leveraged its know-how and resources in such areas as land sourcing, acquisition of approvals, and construction project structuring. On the other hand, ITOCHU drew on its accumulated industrial real estate development know-how and leveraged its client assets to invite a large number of leading Japanese companies. In these ways, we leveraged our special strengths. In addition, ITOCHU Logistics, a comprehensive distribution subsidiary, and other companies provided the high value added of Japanese quality in such areas as distribution procedures and inventory management. This industrial park has been highly evaluated for the quality of its management and operational services, and it received awards from Indonesia's Ministry of Industry as the best industrial park in 2013 and as an excellent industrial park in 2015.

## Partnerships with Local Communities

In addition to win-win relationships among ITOCHU, Sinar Mas, and companies in the industrial park, partnerships with local communities are also essential for sustained business development, such as contributions



Agricultural workshops for a local women's group

to the Indonesian economy through the creation of employment.

We obtained the cooperation of Indonesia's Bogor Agricultural University, and we are promoting harmony with local communities through social contributions, such as agricultural guidance for small-scale farmers, support for the establishment of a local infant health liaison office, free healthcare support, provision of monthly baby food, and provision of scholarships.

In this way, the industrial park business is an example of ITOCHU's provision of a wide range of functions and is also a concrete example of how *sampo yoshi* (Good for the seller, Good for the buyer, and Good for the society) benefits stakeholders.

For further information, please refer to "Industrial Park Business Growing with the Local Community."

[http://www.itochu.co.jp/en/csr/activities/csr\\_reportage/001.html](http://www.itochu.co.jp/en/csr/activities/csr_reportage/001.html)

