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Trading in Information – Throughout Marubeni and Across the Globe

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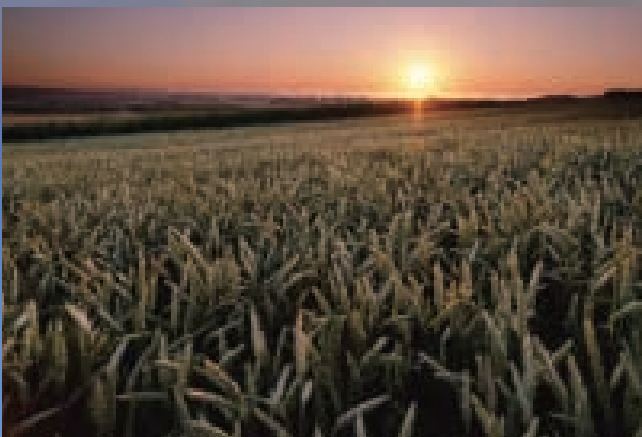
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Marubeni

The past few years have been turbulent ones for the world grain markets. While world grain production has been keeping pace with consumption, inclement weather and various market forces have affected prices and supplies. In the midst of some uncertainty, Marubeni is actively working towards securing stable grain supplies.

A Grainy View of the Future – The World Grain Business and Marubeni's Role

In Increasingly Turbulent Grain Markets, Marubeni Looks to the Future



For the past 40 years, the world has seen dramatic increases in total grain production. Production has more than doubled since the 1960s, and has generally been keeping pace with consumption levels. For most of the 1980s and 1990s, good weather and technological advances helped yearly production levels out-pace consumption. These especially productive times have led to record level highs of world grain stocks.

Since early 2000, however, world production has remained consistently below increasing consumption levels. Poor weather, droughts and floods are some of the reasons for this decline. This extended period of decreased pro-



duction has had several negative effects. Since production has not met demand, many countries have been forced to use their grain reserves. Total world grain stocks have plunged from their all-time highs to near 30-year lows. This drastic decrease in supply has helped to drive grain prices up to their highest levels ever in 2007. Fortunately, the last two years have seen ideal growing conditions in much of the world and production has increased accordingly. As a result, prices are falling from their recent highs.

Despite the recent gains in grain production, the future of the world's grain markets remains uncertain. Several long-term challenges must still be addressed. Perhaps the most pressing of these is the expected increase in world population. Experts estimate that by the year 2050, the world's population will have increased to roughly 9 billion people. In order to adequately feed that many people, global food production will have to continue increasing at a pace similar to that since the 1960s and double by mid-century. Such gains are believed to be achievable with minimal environmental damage if farmers around the world are given affordable access to agricultural inputs like fertilizer and high quality seeds.

As population growth increases demand for grain, the distribution of that growth will have an effect on production as well. The majority of growth is expected to take place in urban areas of developing countries, while rural populations are expected to shrink as people move to the cities looking for more opportunities. This means that a smaller number of farmers will be asked to produce far more than in the past. This will require more efficient farms and highly skilled farmers equipped with current technology and versed in the latest farming methods. With the proper investment in these areas, it is believed that farmers around the world will be able to keep up with increasing world demand. Ensuring easy and unfettered access to world markets for farmers to get the best possible prices for their crops is also crucial, so that fewer farmers abandon

their farms and move to urban areas in search of higher standards of living.


In addition to the increased demand caused by a rising population, grain supplies are also being increasingly taxed by demand from the bio-fuel sector. As countries around the world look for ways to reduce their dependency on fossil fuels and do their part to reduce carbon emissions, bio-fuels made from grains like corn and soybeans are gaining in popularity. Not only are these fuels cleaner burning and cheaper to produce than current fossil fuels, they are renewable and can be cultivated in many areas of the world. However, some commentators have expressed concern that the escalating demand for corn and soybeans as feedstock



Global food production will have to double by mid-century

for bio-fuels is driving up world grain prices and threatening food supplies.

Technological innovation is already working towards solving this problem. The current generation of bio-fuels, ethanol in particular, is made by producing alcohol from the starch found in corn. The next generation of bio-fuels, however, will not be based on starch, but on cellulose, or wood products. That means crops like switchgrass, which can be grown cheaply around the globe with relatively little water, fertilizer and effort needed, may become the main source of feedstock for bio-fuels. As these newer technologies come online, the pressure on corn to be converted to bio-fuel will be reduced.

Amid the ever-changing grain markets, Marubeni stands poised to take on the role of a stable supplier. By looking overseas to major exporting areas of like South America and Eastern Europe, Marubeni is taking steps to strengthen its supply chains and ensure a secure supply of grain to Japan and to the world. 

Taking Action – Marubeni’s Role in the World of Grain

Strategic Investments and Diversification Are Keys to Developing Production Areas

When considering how best to invest in the production of grain, there are two general strategies Marubeni can choose from. The first is to invest directly in the farms themselves. The other is to invest in the distribution of the products of those farms. Marubeni has chosen to invest in

Investment in distribution helps secure stable supplies

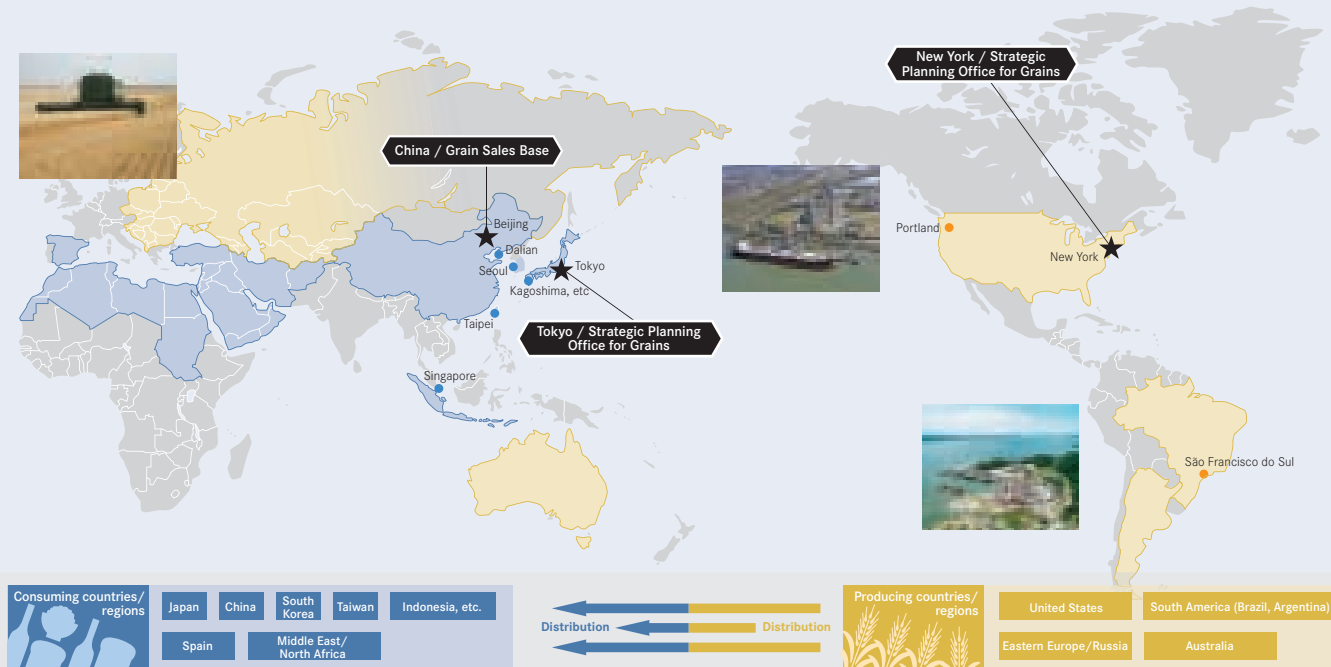
the latter. The reasons for this decision are manifold, but chief among them is the desire to avoid the high risk that comes with investing directly in farms. This risk is comprised of ever-changing weather patterns, the threat of disease damaging crops, and other such variables that can

have significant impacts on harvest yields.

On the other hand, investment in the distribution of grain around the world is a relatively safer means of securing stable supplies and expanding within the market. Marubeni is therefore focusing its efforts on the construction of a supply chain that will distribute grain purchased directly from local farmers around the world across a network of strategically located distribution points. The recent purchase of major grain related assets from AGP Grain, Ltd. by Columbia Grain Inc. (CGI), a wholly owned subsidiary of Marubeni Group, is an example of Marubeni’s efforts in this area. With 60 distribution points reaching six states, CGI is one of the largest grain suppliers in the U.S. West Coast region. This latest purchase will help CGI expand its network into an additional two states. In addition, it will introduce a new capacity for the distribution and storage of wheat, corn and soybeans.

Aside from strategic investment, ensuring a diverse

Marubeni Grain Trading and Operations (Global sourcing and sales strategy)



range of production areas is a critical element in Marubeni's plan to secure stable grain supplies. There is a great deal of risk involved in depending too heavily on only a single source of production. Soybeans, field corn and wheat are all annual crops, so their annual yields vary year to year and depend heavily on the weather. Furthermore, when farmers are deciding which crops to plant for the coming year, they often check the markets and choose to plant the crops that will bring them the highest prices. This can lead to imbalances in supply and demand that can make securing stable supplies a difficult endeavor.

By securing supplies from several different countries and thus diversifying production, Marubeni can mitigate these risks. Since weather patterns fluctuate around the world, it is likely that some areas of the world will be more productive than others for any given year. Developing assets in production areas around the world, as opposed to focusing on a central location, allows Marubeni to use the surplus generated in one region to make up for decreased production in areas experiencing inclement weather.

That is why, in addition to its existing facilities in the U.S., Marubeni is diversifying its grain network by acquiring assets in various production areas around the world. These include South America, Eastern Europe, Russia and others. Ukraine, for instance, is a large producer of grains, and 2008 saw Ukrainian corn imported to Japan for the first time. This is just one example of Marubeni's grain network diversification. Another is Marubeni's activities in Brazil. Set to become the second largest grain producer after the U.S., Brazil produces a variety of grains including soybeans and field corn. Marubeni began growing its supply network into Brazil by investing in Terlogs Terminal Maritimo Ltda., a company which possesses export elevators near some of Brazil's busiest ports. In addition, Marubeni has recently completed an agreement with a large Brazilian grain originator, Amaggi Exportação e Importação. The agreement will see the two companies combine their resources to increase production, jointly market Brazilian grains and oilseeds into Japan and other Asian nations, as well as study joint investment in South American port facilities.



The grain elevators purchased in the Upper Midwest significantly expand CGI's storage capacity.

Increasing Market Share through Added Value Japanese Service

Marubeni's activities in the grain industry are not focused solely on the production side of the equation. Expanding market share and making its presence felt in the markets of consumption areas is a key part of Marubeni's strategy as well. Perhaps the most promising market for Marubeni right now is in China. To put the potential of China's market into perspective, China currently imports roughly 35 million tons of soybeans alone each year. That is more than the total imports of all kinds of grain for Japan. Since China's economy and population are expected to continue to grow, the opportunities for importing corn and wheat are immense.

To take advantage of this business opportunity, Marubeni is partnering with China's largest grain reserves operations company, Sinograin Oil & Fats Corporation. Together, the two companies will be able to combine their grain distribution networks and work towards providing a secure and stable supply of some of the most competitive products in the industry, like soybeans, canola, as well as soybean and palm oil. Additional activities in the Chinese market include investing in the Shanghai-based bakery, Christine Group. Along with supplying the highest quality wheat for their baked goods, Marubeni will also utilize its extensive knowhow to help Christine Group develop original and premium products that both meet and exceed the needs of their customers. 

Marubeni Agrees to Work Closely with a Major Chinese National Grain Reserve Firm

Marubeni has concluded a Letter of Intent (LOI) with Sinograin Oil & Fats Corporation (Sinograin Oils & Fats), a subsidiary of Sinograin, China Grain Reserves Corporation, China's largest grains reserve operations company. The LOI expresses the two parties' intent to work closely in the coming years.

With its growing population and robustly expanding economy, China is expected to demonstrate substantial growth as both a supplier and consumer of grain. Marubeni has been seeking opportunities in China to fulfill its goals in the Foods strategy in the Distribution & Trading fields, which is positioned as a key strategic business field in the mid-term management plan, "SG2009".

Marubeni aims to import four million tons per year of soybeans for crushing, which is about 10% of the total imported

to China. The collaboration with Sinograin Oils & Fats, a Group that plays a pivotal role in China's grains reserve program, will enable Marubeni to integrate Sinograin's domestic logistics with Marubeni's overseas procurement ability. This, coupled with Sinograin's current expansion of its own crushing capacity, will allow Marubeni to supply some of the most competitive oilseeds, such as soybeans and canola, as well as oil products like soybean oil and palm oil to the Chinese market.

Also, Marubeni will construct a procurement scheme of soybean for food from China, which Marubeni will market into Japanese and Korean markets, using Sinograin's domestic procurement / logistics management capacity. Marubeni will also integrate the knowhow accumulated by the two Group's operation of import silos, as well as exchange personnel for better understanding of both companies. Marubeni will also consider joint investment not only in China but also in grain-producing areas such as South America. 🌐

Global Activities – Securing Grain Supplies from Around the World

Marubeni Expands its Supply Source to Brazil

Following through on "SG2009", Marubeni's mid-term management plan, efforts are underway to expand its supply source in grain-producing nations, as a part of its Foods strategy in the Distribution & Trading fields. The latest partner in this venture is Amaggi Exportação e Importação (Amaggi), a grain originator/oilseed crusher based in Brazil, one of the world's largest suppliers of grain. With an additional 250 million acres of cultivable land available farming, many see Brazil poised to be the next major supplier of grains and oilseeds, second to the United States.



A grain storage facility in Brazil.

Through existing investments in assets in Brazil like port facilities, Marubeni has already established a foothold there. This latest agreement with Amaggi will allow Marubeni to take advantage of Amaggi's knowhow in acquiring grains directly from farmers. Of special interest is Amaggi's access to group-owned farms that specialize in non-gmo* soybeans, which are becoming increasingly difficult to source. In a climate where sourcing non-gmo soybeans is ever more of a challenge, this agreement is one more step towards strengthening Marubeni's grain supply chain. In this agreement, Amaggi and Marubeni have committed each other on the following terms:

- To jointly consolidate grains and oilseeds, including non-gmo soybeans, with a volume of up to 1 million tons per year, by the year 2010.
- To jointly market Brazilian grains and oilseeds into Asian nations, notably Japan.
- To study joint investment into South American port facilities, especially in Brazil.

To fulfill the above terms, the two parties will periodically hold strategic meetings, with an aim of realizing investment within fiscal year 2009. 🌐

*not genetically modified

C.J. Chen
CEO

Taipei

Heartland International Co., Ltd.

Heartland International Co., Ltd. (HIC) was established in 1990 by its shareholders Marubeni and Columbia Grain International Inc. (CGII) in Taipei to focus solely on grain sales. The company has expanded to set up offices in Singapore, Seoul and Dalian in China.

Since its establishment nearly 20 years ago, HIC has earned a solid reputation for delivering quick and accurate market information and analysis from across the globe to its clients in their native languages. With the help of Marubeni and CGII, HIC has been able to not only increase sales, but also to deliver its services at better rates than its competition. Currently, Marubeni Group's market share in Taiwan's grain industry sits at 20 percent (1.75 million tons). Looking closer, we see that Marubeni holds 50 percent (500,000

tons) of the market share for wheat – an impressive feat considering Marubeni began with zero market share. Through our transactions in the grain industry, we have been able to improve our relationships with our clients and have begun joint ventures in flour and poultry with companies in mainland China.

Because of our highly efficient and specialized management practices, we were able to establish an additional two offices outside of Taiwan and develop a sales network that covered Southeast Asia, Korea and China by 2006. With the opening of our fourth base in 2006, our grain sales reached a total of 4.6 million tons.

In the midst of an expanding Asian economy, we are doing our best to contribute to the promotion of Marubeni's grain sales by building up strong and trusting relationships with our clients. ■

Shuichi Sakai
Assistant General Manager
Food Unit

New York

Marubeni America Corporation

Here at the New York office, we have three staff on transfer from Japan and seven National Staff working hard in the Grain Department. As we work to increase our purchasing power by sourcing grain from various countries like the U.S., Argentina, Brazil and Eastern Europe, we are working towards providing a low cost and stable supply of grain to Japan, Korea and Taiwan. We are also taking steps to strengthen our activities in production areas through mergers & acquisitions. We

are also contributing to reducing shipping costs by increasing our freight capacity in the Atlantic Ocean. Furthermore, by making full-use of our prominent broker network, we are marketing the Grain Department to mature Far East markets as well as to expanding economies in China, North Africa, South America and Europe. In the future, we are looking to increase Marubeni America Corporation's business in Mexico and the Caribbean while constructing a global-scale sales network. ■

Voices from the Front

Tom Hammond
President & CEO

Portland

Columbia Grain International, Inc.

Columbia Grain International, Inc. (CGII) is a grain supplier based in Portland, Oregon in the U.S. We possess approximately 60 cargo facilities in 40 locations across six states in the northwest region. Focusing mainly on wheat and barely, CGII purchases grain directly from farmers and then transports it via railroad or riverboat to our export facility, "Terminal 5," in Portland. From there we export it to various countries around the world. Last year we exported over 4 million tons of grain to Japan, various Asian countries, the Middle East, and Central and South America. In 2008 we celebrated our 30th anniversary. We also acquired AGP Grain, Ltd., a company that is expanding its grain storage network across the eastern part of North Dakota and Minnesota. This acquisition has allowed us to increase our capacity to include areas that produce corn and soybeans. In the future, CGII will continue to consistently supply high-quality grain direct from the production areas to meet the diverse needs of markets around the world. ■

“SG 2009” Update

“SG2009”

Towards the Second Year

The current economic crises have had an impact on businesses around the world. Here at Marubeni, we are proactively addressing the situation and making revisions to the mid-term management plan “SG2009.”

While there are no changes to the underlying philosophy of the plan, the following article will examine some of the changes necessary to meet the demands of the times.



“SG2009” Progress Report

Looking at the performance of Marubeni Group for FY2008, the first half of the year progressed on pace to reach historical levels of profitability, but the drop-off in the commodity and stock markets, along with a general decline in the world economy, meant Marubeni achieved 111 billion yen net income instead of the predicted 165 billion yen. This was the first decline in profits since the “A” PLAN. At the same time, the projected figures for the final year of the mid-term management plan “SG2009” were revised.

On the other hand, increased profit was maintained for the operating profit and basic earnings, even after absorbing write-down of real estate properties for sale. Compared to the “A” PLAN and “V” PLAN periods, this is proof of remarkably fortified earning capacity. Determining how to maintain and expand this capacity will be an important topic for the future.

The balance sheet reports that due to a higher than expected yen, along with a drop in stock prices, shareholders' equity at the end of FY2008 was heavily damaged at 567 billion yen, a more than 200 billion yen decrease year-on-year. Risk assets became 673 billion yen and exceeded our shareholders' equity by more than 100 billion yen. While interest-bearing debt remained below 2 trillion yen, consolidated net D/E ratio reached 3.37 times with reduced shareholders' equity.

Although temporarily, we were unable to keep our mar-

ket commitments such as “limiting the amount of risk assets within shareholders' equity” and “maintaining consolidated net D/E ratio below 2.5 times,” and we need to acknowledge that this is a state of emergency.

Regarding cash flow, since the final year of the “V” PLAN, FY2006 was the only year with positive free cash flow. This of course is the result of our proactive investment activities during this period, but we must bring the effects of investments to contribute to the expansion of revenue, and realize positive cash flow. In a situation where risk assets exceed shareholders' equity and consolidated net D/E ratio exceeds 3 times, returning free cash flow to positive figures is an important management theme for FY2009.

FY2009 Issues and Policies

The outlook for FY2009 projects a consolidated net profit of 80 billion yen, shareholders' equity of around 730 billion yen, net interest-bearing debt of around 1.82 trillion yen, and a consolidated net D/E ratio of approximately 2.5 times. As such, the target figures for “SG2009” have been adjusted accordingly, as can be seen in the diagram (Figure 2). While there are no changes to “SG2009”'s published goal of achieving sustainable growth, the difficult business environment of FY2009 will see Marubeni focusing mainly on defensive strategies like improving the consolidated balance sheet and reconstructing earning capacity. In particular, Marubeni

Figure 1 Consolidated Net Profit

- Fiscal year 2009 figures were revised down from the projected 165 billion yen at beginning of term to 150 billion yen at 3rd quarter earnings announcement.
- That figure was further revised downward to 110 billion yen on April 17.

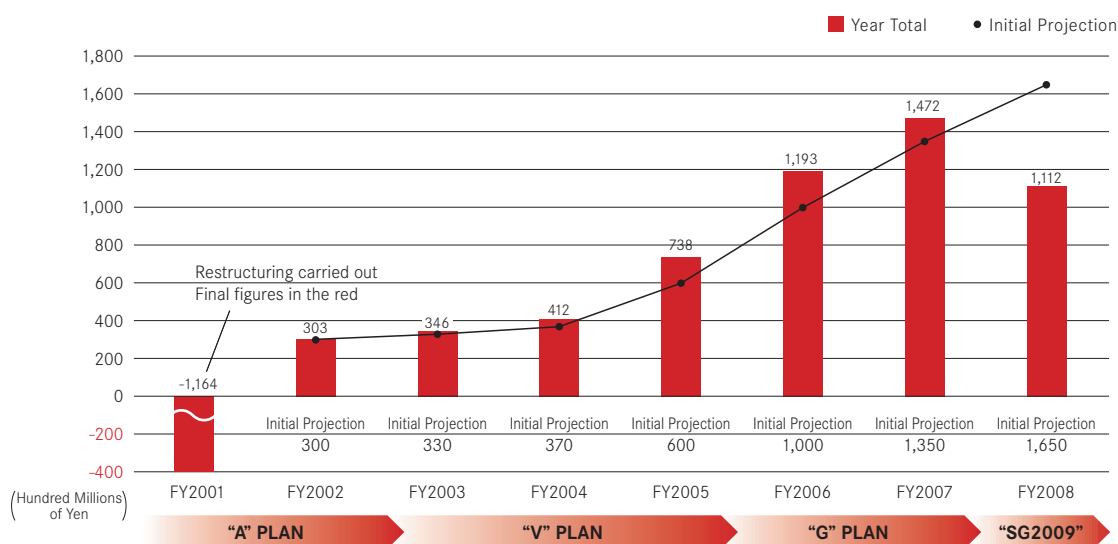


Figure 2 “SG2009” Quantitative Targets

	“SG2009” Initial Projections End of fiscal 2009	“SG2009” Revised Projections End of fiscal 2009*	(Reference) 2008 Actual results End of fiscal 2008
Consolidated Net Profit (2 year total)	350 billion yen	Over 190 billion yen	111.2 billion yen
Consolidated Net D/E Ratio	Less than 2.5 times	Approx. 2.5 times	3.37 times
Risk Assets	Within shareholders’ equity	Within shareholders’ equity	673.7 billion yen (shareholders’ equity 567 billion yen)
ROA	Over 3%	Approx. 2%	2.24%
Expected Shareholders’ Equity and ROE Levels When Above Targets are Achieved			
Shareholders’ Equity	Over 1 trillion yen	Approx 730 billion yen	567.1 billion yen
ROE	Approx. 18%	Approx. 12%	16.51%

* From 2009, shareholders’ equity includes “non controlling interest”

must accomplish by all possible means control of risk assets to maintain it within the amount of shareholders’ equity, control operational cash flow and new investments to keep positive free cash flow, and maintain a consolidated D/E ratio around 2.5 times. Next, we will look in detail at the various policies.

1 Returning Free Cash Flow to Positive Figures and Reducing Net Interest-Bearing Debt

First of all, operational cash flow must be improved. Everyone must acknowledge that there is no inexhaustible supply of capital. It is essential to be aware of the use of operating working capital, facilitate the collection of accounts receivable, not to hold useless inventories and to be careful how to procure goods.

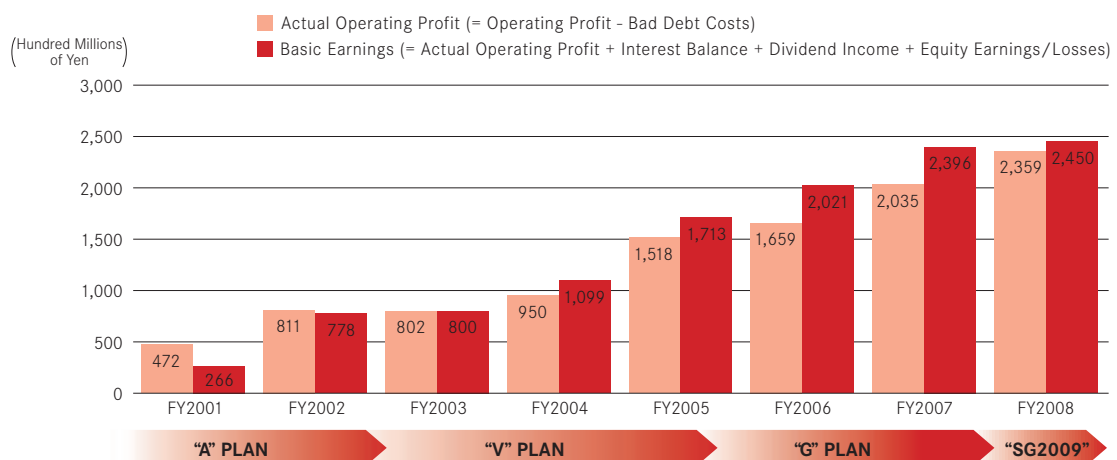
Also, investment cash flow must be improved by recovering past investments promptly while strictly governing new investments. As for new investments, the recent dramatic changes in the business environment call for a period of caution while ascertaining the state of affairs. “SG2009”’s original plan called for a total of 600 billion yen in investment over the two years of FY2008 and FY2009. However, since priority is now being placed on improving the financial constitution, all 600 billion yen may not be invested.

2 Reducing Risk Assets

It is possible to control the growth of risk assets by improving free cash flow. However, with a risk management policy focusing on “limiting the amount of risk assets within

Figure 3 Actual Operating Profit, Basic Earnings

• Steady increase in earning power



There will be no changes to the fundamental goal of sustainable growth laid out in the original "SG2009" – President and CEO Teruo Asada



shareholders' equity," further reductions will be required including the consideration of selling off current assets. The selling off of assets will be implemented by selecting assets or projects with large risk assets that may not be part of Marubeni's core business or are not performing efficiently.

3 Strengthening Earning Capacity (Achieving Results from Past Investment and Cost Reduction)

This fiscal year, the focus will be on improving the earning capacity of existing businesses and achieving steady earnings from the 1.3 trillion yen invested since the "V" PLAN.

There will also be a concerted effort to reduce costs which has been on a yearly increase. During the last few years, booming business has engendered a loose attitude toward costs. It is essential that all employees maintain a rigid attitude toward costs and realize the importance of keeping costs down.

4 Deepening the Portfolio Management (Reconstructing Unit Strategies)

Individual units are responsible for setting and promoting business strategies. Given the changing environment surrounding each unit, everyone must hold in-depth discussions on the unit strategies by assessing future growth potential and Marubeni's competitive advantage to become one of our group core businesses. Since management resources are limited, allocation of such resources will be prioritized to future core business areas.

5 Reviews of Subsidiary Companies

Continuing from FY2008, in order to further improve the efficiency and profitability of assets and investments, we will carry on the review of every subsidiary company, and construct a strong business conglomerate.

Figure 4 The State of the Balance Sheet

• Shareholders' equity declined in the last half of 2008 due to lower stock prices and a high yen.

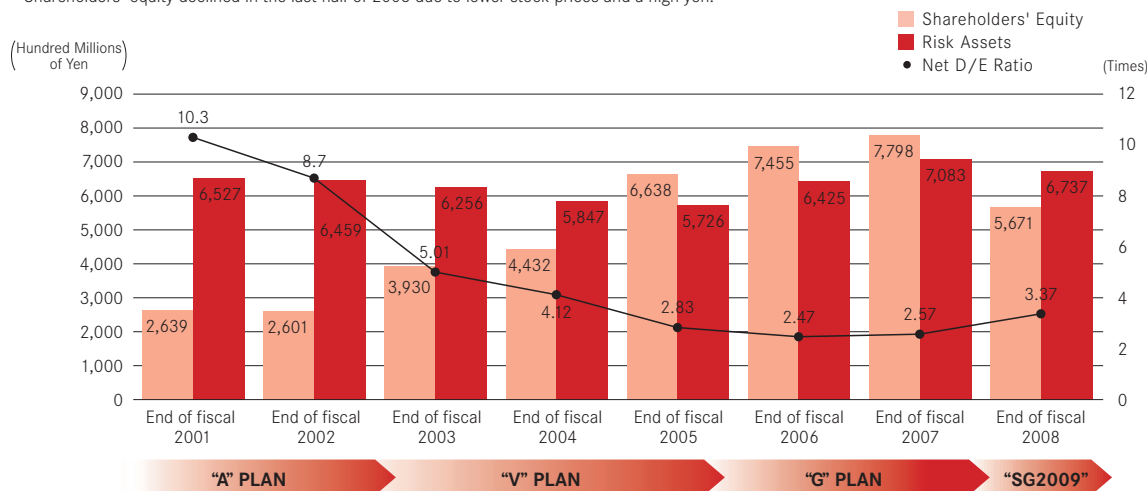
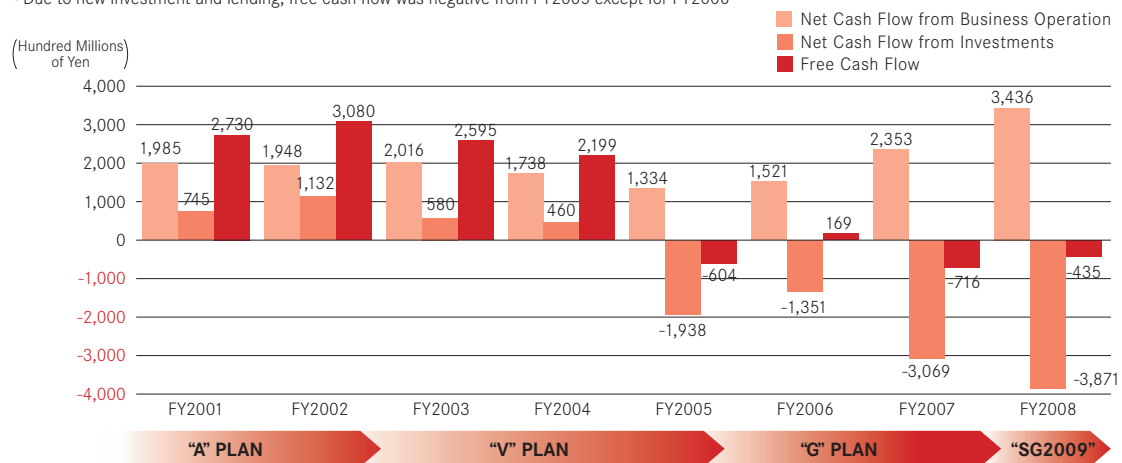


Figure 5 Cash Flow

• Due to new investment and lending, free cash flow was negative from FY2005 except for FY2006



6 Strengthening Risk Management

As published in “SG2009”'s basic objectives, a stricter risk management system is required. As financing becomes difficult for all companies large and small, it is becoming necessary to keep in mind the clients' financial conditions, and carry out thorough credit and risk control. During uncertain economic conditions, it is exceedingly important to ensure the basic operation of risk management and to re-consolidate the foundations.

In Conclusion

In the current environment, it is vital that everyone consciously makes close communications. Hopefully everyone can find motivation for positive business activities through a sense of unity, shared will and the sharing of information. I myself will strive to proactively communicate with as many Marubeni Group members as possible.

Free and vigorous activity and openness are important parts of our corporate culture, and it would be best to continue along good traditions. 🌐

FY2009 Issues and Policies

Most Focused Issues

- Improving the balance sheet
- Restructuring earning capacity

- 1 Returning free cash flow to positive figures and reducing net interest-bearing debt
- 2 Reducing risk assets
- 3 Strengthening earnings capacity
 - Realize investment results
 - Reduce costs
- 4 Deepening the portfolio management (reconstructing unit strategies)
- 5 Reviewing subsidiary companies
- 6 Strengthening risk management

Thorough Follow-up by “SG2009” Executive Committee

CSR Activities

Giving Back to the Community

[MARUBENI CSR: PHILIPPINES]

Electrification Project in the Philippines by TeaM Energy Foundation Inc. (TEFI)

TeaM Energy Foundation Inc. (TEFI) was established in 2001 by TeaM Energy Corporation, a Marubeni subsidiary in the Philippines. One of TEFI's major projects is the nationwide electrification program, Project BEACON (Barangay Electrification Assistance for Countryside Development). TEFI provided 1.5 billion pesos (about \$31 million) to the project, which is



one of the Philippine's largest social development projects carried out by a private company. In December 2007, Project BEACON completed electrification of 1,500 barangays (districts), benefitting roughly 300,000

households across the country and raising the nation's electrification rate to 96.5%. The project covered many remote areas which posed considerable difficulties. Cabalitian Island was an especially challenging area, where team members had to build a two-kilometer-long submarine cable connection to the Pangasinan mainland. Starting in 2004, the Cabalitian Electrification Project took nearly two years in negotiation of the costs and scope of the project. During those two years, TEFI donated four electrical generators to the island. The project was finally completed in September 2008 and Secretary of Energy

Angelo Reyes, along with local residents, expressed his appreciation towards all the members of Project BEACON.

TEFI is currently working on another project, but it intends to lend its continued support until the Philippines achieve 100% electrification. ↻



[MARUBENI CSR: ROMANIA]

Newspapers Donated to Romanian Universities' Japanese Language Departments

At the Marubeni Bucharest Office, Japanese newspapers are donated to the University of Bucharest, Hyperion



University, and Ion Creanga High School after Marubeni employees have finished reading them, for use in Japanese language classes. Seminars on modern Japan and Japanese language lectures are popular at Romanian universities. In appreciation for Marubeni's assistance, Hyperion University's Japanese Language Department invited the members of the Marubeni Bucharest Office to its 2008 Year End Party, where a speech was given on Marubeni's CSR activities.

"We Really Appreciate the Newspapers"

The University of Bucharest also expressed its gratitude to Marubeni for helping with its expanding Japanese studies program. The university started a new seminar on modern Japan last year, using the donated newspapers. "We thank Marubeni for enabling us to have these classes in the midst of our difficult financial conditions," said Ms. Emiko Hirano, an instructor at the University of Bucharest. ↻



UNITED KINGDOM

Jonathan Harbord | Department Manager
Information Technology Department, Marubeni Europe plc

London Office

Samuel Johnson famously wrote, “When a man is tired of London, he is tired of life”.

With over 2000 years of history, 33 distinct boroughs and over 200 languages spoken by its inhabitants, London has such a wealth of variety and diversity that this must still be true today.

The city has plenty to offer its 26 million visitors each year: traditional sights such as Big Ben, Buckingham Palace and the Tower of London, beautiful royal parks, world-famous museums and art galleries, bustling shopping thoroughfares, a vibrant nightlife and of course, in 2012, the Olympics.

London is widely recognized as a dominant force on the international financial stage, rivalled only by New York and Tokyo, but we have many other thriving industries too, including arts, fashion, film, media, design, law and computing.

Marubeni has traded in London since 1953. Our London office, the headquarters of Marubeni Europe plc, is situated on the tranquil leafy square of Finsbury Circus, in the heart of the financial district called “The City”. 🇬🇧



BRAZIL

Katahira Wagner | Section Chief
Agribusiness Division, Marubeni Brasil S.A.

São Paulo Office

Brazil is more than the home of Carnival, the five-time winners of soccer’s World Cup, good churrasco, friendly and beautiful people. It is also a country that has seen spectacular growth in its agribusiness sector, and I am proud to be active in this field as a member of Marubeni for 8 years and counting!

Our seven-member team handles primarily grain (2.5 million tons in just the first six months) and frozen chicken (25,000MT or 1,000 containers in 2008). We also deal in coffee, ethanol, orange juice, wine, beef offal, and pork, among other products. We are continually looking for new opportunities and products that Brazil can offer the world.

Allow me to invite you to visit Brazil, a land of unsurpassed agribusiness potential. We would be more than glad to meet you. 🇧🇷

RUSSIA

A. P. Vorobiev | Manager
Non-ferrous Metals Department, Moscow Office

Moscow Office

Although I entered the company relatively well educated in metallurgy, with a diploma as an engineer-metallurgist and Ph.D. in metallurgy, working at Marubeni has given me many interesting challenges and a lot of new experiences to further my professional growth, especially in the commercial and management areas. We have established strong relations with key Russian producers RUSAL and Norilsk Nickel, and our annual turnover in 2006-2007 reached the record-breaking levels (\$115 million and \$98.5 million,



Snapshots from Offices Around the World

A World of Marubeni

respectively) with a focus on primary aluminum ingots. In 2008, we exported 39,000 MT of primary aluminum, worth some \$80 million to Japan.

We have been actively seeking new business opportunities and trying to penetrate new strategic industries such as tungsten and uranium mining. In 2008 we started buying tungsten concentrate from Novovorlovsky GOK, located in the Chita region. Before signing the contract, we visited the mine several times, together with representatives from the head office and our customers from Japan. The visits were a challenge because they had to fly from Tokyo to Moscow for nine to 10 hours, and from Moscow to Chita for another six, then travel by off-road vehicle for 3 hours to the mine site. Luckily the weather was not as severe as usual, and the temperature in the winter didn't fall below minus 45 C. We also visited one of the world's biggest tungsten deposits (Tyrnauz) located on the opposite side of Russia near Nalchik (Caucasus region), where the temperature exceeded plus 40 C in the summer.

Despite the financial crisis, we will keep trying to expand our rare metals business this year. 🇷🇺



INDIA

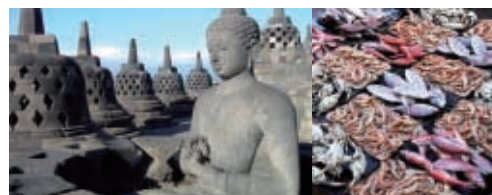
PL. Anand | Manager

Marubeni India Pvt. Ltd. (MIPL), Chennai Office

Chennai Office

Marubeni began operations in Chennai, opening a liaison office in 1958 that handled textiles and seafood products, among others. In September of 2001, the Chennai office was forced to close due to sluggish market conditions.

Fortunately, that setback proved temporary. Since 2005, Chennai has witnessed phenomenal growth in its information technology and automobile industries, thanks to India's new



INDONESIA

Tahir Susantijo | Assistant General Manager
Chemical Department, PT. Marubeni Indonesia

Jakarta Office

I joined Marubeni Corporation's Jakarta Liaison office in 1990 and was one of the first to move from the Textile and Garment Department to join PT. Marubeni Indonesia (PT.MI) in 1993. From 2001 to 2003, I was in Dili, East Timor, working in logistics for the Japan Engineering Group. Then I was assigned to the Chemical Department.

At present, PT.MI has 85 Employees (13 Japanese and 72 local staff). The Chemical Department is an important contributor to the company's sales, supplying basic chemicals such as ethylene. With the support of Marubeni Corporation in Tokyo, PT.MI has become the market leader in basic chemicals in Indonesia, with a 60% market share.

I hope to contribute to the development of Marubeni's business in the ASEAN region, working hand in hand with the staff of other departments. Together I believe we can make PT.MI, a successful, healthy, and strong company.

Gambarimasu. Goshido kudasai. 🇮🇩

industrial policies and improvements in its infrastructure.

Many automobile companies, including Hyundai, Ford, BMW, Mitsubishi, Ashok Leyland, Nissan-Renault, have set up plants in and around Chennai. Marubeni, sensing new business opportunities, reopened its office here on October 1, 2008. The Honorable Kazuo Minagawa, Consul General of Japan; Mr. Shinya Watanabe, Chairman and Managing Director, MIPL; and Mr. Takayuki Akiyama, General Manager of the Chennai office were among those in attendance. In addition to the automotive business, the Chennai office continues to look for new opportunities in the region. 🇮🇩



Japan's Manga Kissa (Comic Cafés) —

Comics, Coffee and So Much More

Imagine walking into an unassuming shop and finding row upon row of thousands of Japanese comics ranging from the classics to today's most popular editions. Now, imagine all of these comics available 24/7* for your reading pleasure in the comfort of your own private booth with plush reclining chairs and a non-stop beverage service. Add to that high-speed Internet access, the latest video consoles and games and a startling selection of DVDs, and you have an entertainment paradise. In Japan, such paradises are common place. They are all called Manga Kissa, or Comic Café.

Manga, the Japanese word for comic, are much more prevalent in Japan than in many other societies and boast a readership that spans all ages and walks of life. Referred to as graphic novels in the West, manga are hand-drawn works that feature arcing storylines which deal with any number of topics from humorous to dramatic. They are often hundreds of pages long and utilize many conventions found in traditional literature like plot and character development. Japan's affinity for modern manga can be said to have arisen from a seminal work by one of modern manga's founding fathers, Osamu Tezuka. His 1947 work, the 192-page "Shin-Takarajima" ("New Treasure Island") revolutionized the genre and captivated the imagination of an entire generation. As the popularity of manga soared through the '50s and '60s, it coincided with the rise of another Japanese phenomenon, kissaten, or tea and coffee shops. In Manga Kissa's early incarnations, they offered little more than their name implies: coffee and comics.

Today's manga kissa, however, bear little or no resemblance to their forbearers. For one thing, coffee has certainly become less of an attraction as manga kissa have expanded to offer a wide selection of refreshments. For an hourly charge, customers are provided with access to self-serve drink bars offering a range of products from coffee, tea, and a wide variety of soft drinks and juices. Meals are also available, and depending on the establishment, everything from microwavable boxed lunches to gourmet cuisine is available.

Also, and somewhat paradoxically, manga are not necessarily

the main focus of the latest manga kissa either. As the Internet has proliferated into our daily lives, manga kissa have responded by installing computers with high-speed internet access. The new additions do not end there. Customers can view the latest movies on DVD or just kick back and watch TV in a private booth, some of which are equipped with reclining massage chairs. Couples and friends are also welcome to enjoy two-seat booths. Hot new Playstation® and X-Box® video games are also available, as are all the necessary facilities for an office-on-the-go: printer, fax and photocopier. And for the unfortunate who happen to miss their last train home, many manga kissa offer all-night packages where guests can spend the night on flat seats in private booths for a fraction of the cost of a hotel room.

Manga kissa have evolved to the point where some feel a new name is needed to adequately express the myriad of services on offer. Thus, the Japan Complex Cafe Association was created to represent manga kissa that fall under the recently minted term, Complex Cafe. Whether or not the new term will catch on and replace the well-established manga kissa remains to be seen. One thing is certain, however. As the complexity of these cafés rises so too does the enjoyment of their customers. ☺

*twenty four hours a day, seven days a week



Reclining lounge chairs and a wide range of refreshments are among the amenities on offer at manga kissa.

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