

November 20, 2009

Sojitz Corporation

**Sojitz Concludes Strategic Partnership Agreement
with Russia Grain Union
- Russian Wheat to be Sold in Asian Markets -**

Sojitz Corporation concluded a strategic partnership agreement with the Moscow-based Russia Grain Union to promote sales of Russian wheat in Asian markets. Asia is one of the world's largest wheat consumption markets. This is the first time that the Russia Grain Union has concluded a strategic partnership agreement with an Asian business.

Russia, along with the United States, Canada, and Australia, is one of the world's largest wheat exporters, with estimated exports in 2008 of 18.4 million tons, putting it in third place worldwide. Russia's Agriculture Ministry has proposed a plan to increase wheat exports to 35 million tons by 2018, and it is expected that Russia will become the world's largest wheat exporter.

Asian wheat markets are growing in conjunction with the Westernization of diets as populations rise and economies grow. In 2008, imports of wheat in Asia were 34.5 million tons. This is about 26% of global wheat imports.

Sojitz has a track record of about 40 years importing wheat into Asia and handled approximately 4 million tons of wheat in 2008, about 3% of global wheat exports. Sojitz engages in the largest bread production business and in the noodle production business in Indonesia. It also serves as a wheat processor in Vietnam investing in Interflour Vietnam Limited, a major flour milling company in the country.

As the first step of their new partnership, Sojitz and the Russia Grain Union will jointly hold Russian Grain Conference in Singapore in late February 2010 to promote sales of Russian wheat. Sojitz is also considering developing Middle Eastern and African markets that show promising signs of growing wheat consumption and investigating measures for the stable supply of wheat with the aim of securing food sources and contributing to the stabilization of supplies.

■ Russia Grain Union

Name: Russia Grain Union

Headquarters: Moscow, Russia

Activities: An organization of more than 500 members from 29 countries including Russia that promotes the sale of Russian grains. The Union has close ties with the Russian Agriculture Ministry.

■ Wheat Exports by Leading Export Countries (estimates)

2008	Production	Exports	(Million tons)
Russia	63.7	18.4	
United States	68.0	27.6	
Canada	28.6	18.8	
Australia	21.5	14.8	
EU	151.0	25.4	Source: U.S. Dept. of Agriculture, 2009

■ Imports and Population of Asia's Major Wheat Importing Countries
(total imports were 34.5 million tons)

2008	Wheat Imports (million tons)	Population (million persons)	
Indonesia	5.6	235	
Japan	5.5	127	
South Korea	4.6	48	
Philippines	2.8	94	
Pakistan	2.5	169	
Malaysia	1.5	25	
Vietnam	1.5	85	
Thailand	1.2	65	Source: U.S. Dept. of Agriculture, 2009
Bangladesh	0.2	150	* Population data is as of 2007

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