

Sodrugestvo Group And Mitsui Form Strategic Alliance

Mitsui Takes Minority Equity Interest in Sodrugestvo; Companies to Partner in Russia, Brazil and Other Regions

LUXEMBOURG and NEW YORK, July 2, 2012 [PRNewswire/](#) -- Sodrugestvo Group S.A. announced an agreement in which Mitsui & Co., Ltd. has become a 10-percent shareholder in Sodrugestvo and both companies will become strategic partners in some of their respective business activities. The details of the transaction were not disclosed; Mitsui's 10 percent stake in Sodrugestvo is based on an enterprise value of approximately US \$2.2 billion.

In conjunction with the share purchase by Mitsui, the two global companies have signed a strategic agreement whose main elements include 1) an alliance in the origination, export and marketing of grain from Russia and other former Soviet Union countries; 2) support for Mitsui's participation in the feed and livestock business in Russia and other former Soviet Union countries where the demand for and production of meat has been growing; and 3) a collaboration in the soybean origination, processing and distribution business in Brazil between Sodrugestvo's Alianca (previously known as Carol-Sodru) joint venture and Mitsui's Multigrain grain farming and logistics subsidiary.

The collaboration in the origination and export of grain produced in Russia and other former Soviet Union countries provides a preferential right to Mitsui for grain supplied/exported by Sodrugestvo. Mitsui plans to develop marketing outlets for the grain in the Middle East and Africa as well as with existing clients mainly located in Japan and Asia. In addition, Mitsui will share its expertise in the international grain trading business with Sodrugestvo as well as provide global market intelligence from its global trading network.

Commenting on the strategic partnership, **Stephane Frappat**, chief executive officer of Sodrugestvo said, "Mitsui is one of the world's most respected, multi-industry companies with over a century of global business experience. Mitsui meets the criteria for strategic partnerships that we have developed. Sodrugestvo seeks best of breed companies that know the market, have a strategic plan that syncs with ours but doesn't compete and shares a long-range vision for marketplace expansion."

About Sodrugestvo Group

Sodrugestvo Group (www.sodrugestvo.com), founded in 1994, is a rapidly growing agro-industrial company serving global markets. The company is vertically integrated with three business units - specialized infrastructure (including deep-water sea ports), logistics (including railcars and storage facilities) and processing facilities (for the production of proteins and oils from vegetal and animal commodities). In the past year, Sodrugestvo crushed more than 1.3 million tons of soybeans and rapeseed, making it a leading player in Northern, Central and Eastern Europe, and traded over 2.3 million tons of agricultural commodities. The company is also expanding into commodities trading and direct origination capabilities.

Headquartered in Luxembourg, the company has facilities in a dozen countries including Russia, Ukraine, Denmark, Brazil, United States, Switzerland and several Eastern European nations. With consolidated sales of nearly \$2 billion in its fiscal year ending June 30, 2012, Sodrugestvo has enjoyed average annual growth of 20 percent or more for the last 10 years. Sodrugestvo employs 1,750 and is privately held.

This release is available online in the Feintuch Communications media room located at www.feintuchcommunications.com/sodru.

SOURCE Sodrugestvo Group
