

# TSR Block Train Service by Mitsui & Co., Ltd.

MITSUI & CO., LTD.  
三井物産株式会社

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MITSUI & CO., LTD.

TRANSPORTATION LOGISTICS BUSINESS UNIT

# Mitsui's framework of the Trans Siberian Railway (TSR)

## Cooperation Framework with our Partners in Russia

### 3ways Memorandum of Understanding < Russian Railways (RZD), Russkaya Troyka, and Mitsui >

- Mutual cooperation for sales to Japanese Cargo Owners for TSR transportation (Container Cargo).
  - <Scope of Assembly>
    1. Origin : Japan, Asia Pacific Region (Korea/China etc.) and Europe
    2. Destination: Russia, CIS countries, European Countries
  - \* Reverse direction is also included into our scope.
- Role of Parties
  - RZD: Support the container transportation of the above scope.
  - Russkaya Troyka: Actual transportation arrangement based on the Agency Agreement with Mitsui.
  - Mitsui: Sales to customers.

### Agency Agreement < Russkaya Troyka and Mitsui >

- Agency Agreement to cover actual International Intermodal transportation by TSR.
- Scope of work is to concentrate on provision of the Block Train Service.



<Oct, 18<sup>th</sup> 2007> Scene of the Contract

from left;

-Mr.Chisnakov, President of Russkaya Troyka

-Dr.Lapidus, Senior Vice President of RZD

-Mr.Soejima, Vice President of Mitsui

-Mr. Iida, COO of Transportation Logistic Business Unit, Mitsui

# “All Japan Concept” What Mitsui target

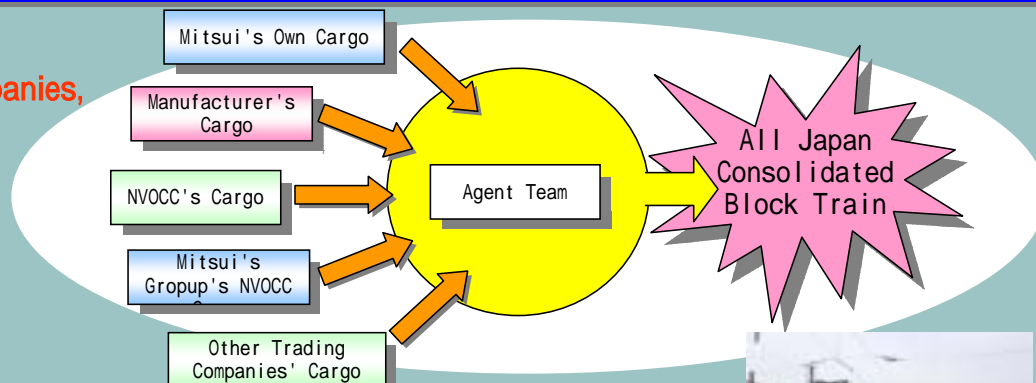
## Concept of the Service

On behalf of all the Japanese Companies, Mitsui will mutually study together with RZD and Russkaya Troyka for a better and **“User Friendly” Service.**

## All Japan Concept

Mitsui sells TSR Block Train Service not only to **Manufacturers**, but also to **Transportation Companies**, that seek business possibility in Russia and it's neighbor countries.

Mitsui collect container cargoes from **All Japanese companies.**



Mitsui established the **“Russian Railways Agent Team”** to provide Equal and Highly Transparent service to all the Japanese Companies.

## The Current Study with RZD and Russkaya Troyka

Critical point of the current TSR service is **“Short Validity Rate”**...

Now we study to maintain a **“Stable”** and **“Competitive”** rate.

# Mitsui's Transportation Activity in Russia

## Gradual Approach of the Block Train Composition based on Japanese Customer Demands

Phase1) Utilize the Current Block Train of Russkaya Troyka. (weekly service to Moscow )

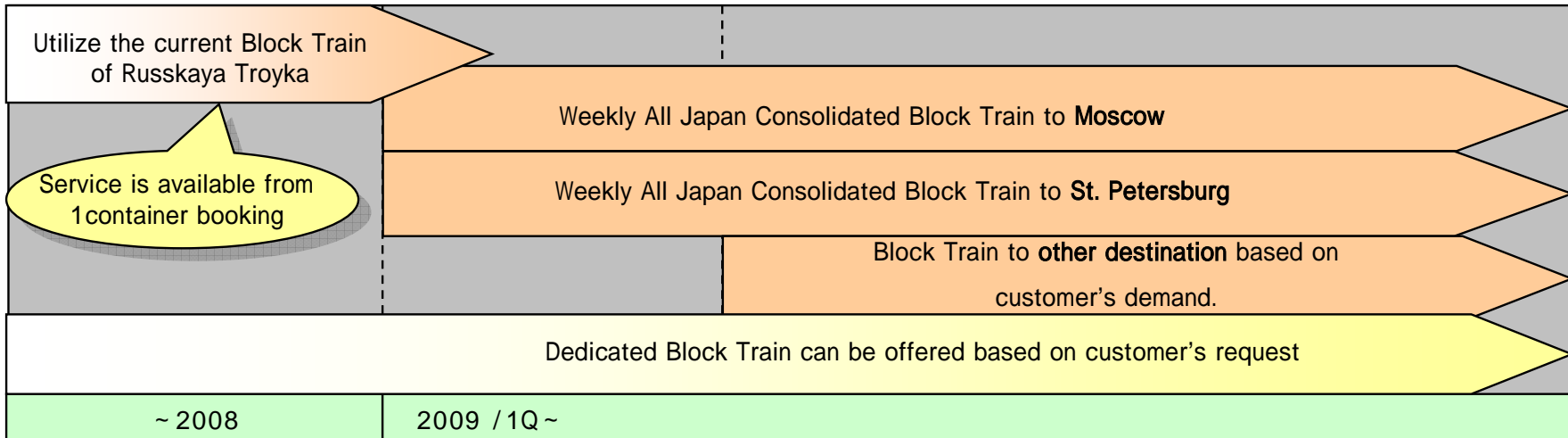
(Basically composed with Chinese and Korean Cargoes. Booking can be accepted from 1 Container.)

Phase2) Compose “All Japan Block Train” to Moscow and St.Petersburg.

- To Moscow: Cargo is mainly from Consumer-Electronics Manufacturers
- To St.Petersburg: Cargo is mainly from Car Manufacturers

Phase3) To any other destination depending on Customer Demand.

- Destination other than Moscow and St.Petersburg. (For both East/West bound)
- To Middle/East European area (For both East/West bound)



# Mitsui's Various Logistic Activities

## Mitsui's activity of other fields related to TSR

- A) Supply of high value infrastructure to Russia : such as supply of Rails.
- B) Locomotive and Wagon Lease in Europe : Mitsui has No.1 share in Europe in the area of lease of wagons through acquisition of Siemens Locomotive Lease Business Unit.
- C) Local Joint Ventures : Various Investments in Russia, such as Sakhalin 2 etc. Cargo information useful for the achievement of All Japan Concept can be obtained though JVs and its network.

Also we foresee possibility of developing any other infrastructure business, based on our experience in Asia.

## Mitsui's Goal

Mitsui would like to contribute to the Russia-Japan Economic Development through its activity in Logistics and its Infrastructure business.