

April 30, 2013

Russia-Japan Forum Seminar

ZEN-NOH'S Role in Marketing Japanese Agricultural Products

The National Agricultural Cooperative Federation of Japan (ZEN-NOH)

**We, the ZEN-NOH group are the trusted and reliable go-between
linking producers and consumers.**

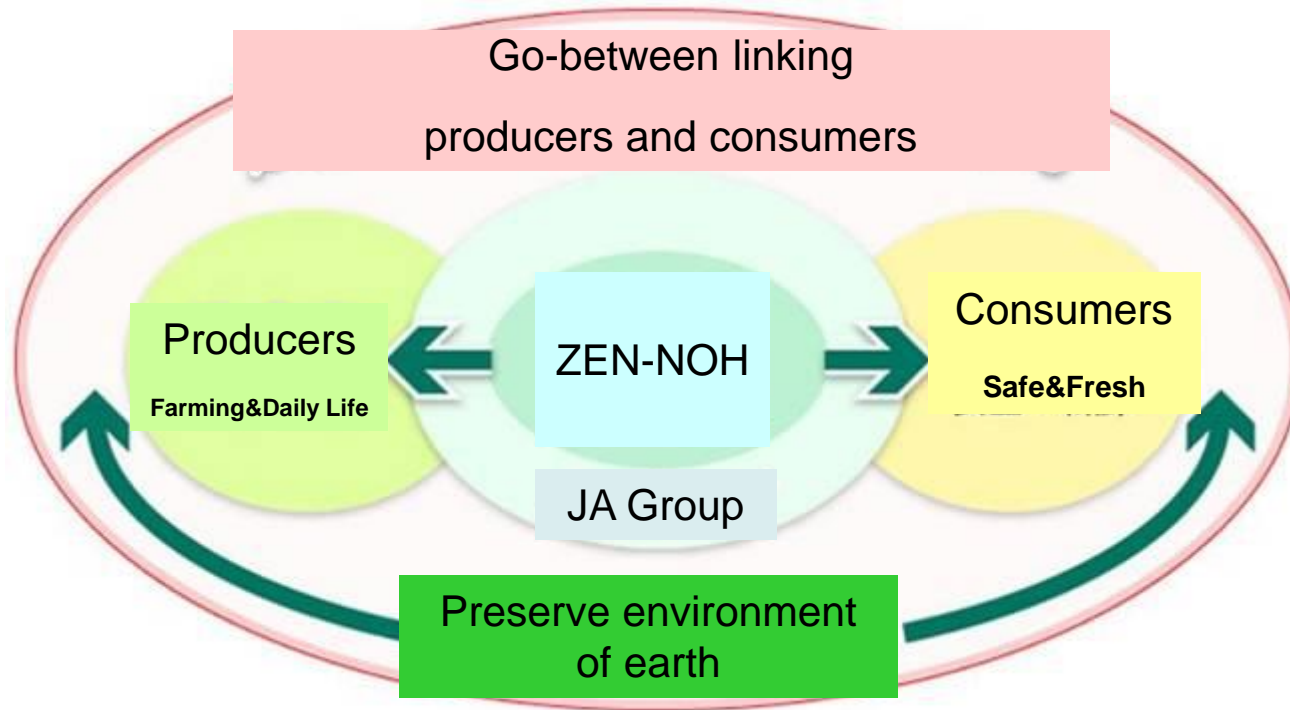
From production to sales, from daily lives of producers to the dining tables of consumers – ZEN-NOH carries out a fully integrated range of activities that cover every step of the way in order to offer domestically produced farm products that are safe and reliable.

1. ZEN-NOH's Management Philosophy

- We, the ZEN-NOH group are the trusted and reliable go-between linking producers and consumers.

We think about “Safety” from the below three points of view.

- We support growers' farming to daily life, as well as help building vigorous growing area.
- We deliver safe and fresh Japanese produced farm products to consumers.
- We try to preserve environment of earth.

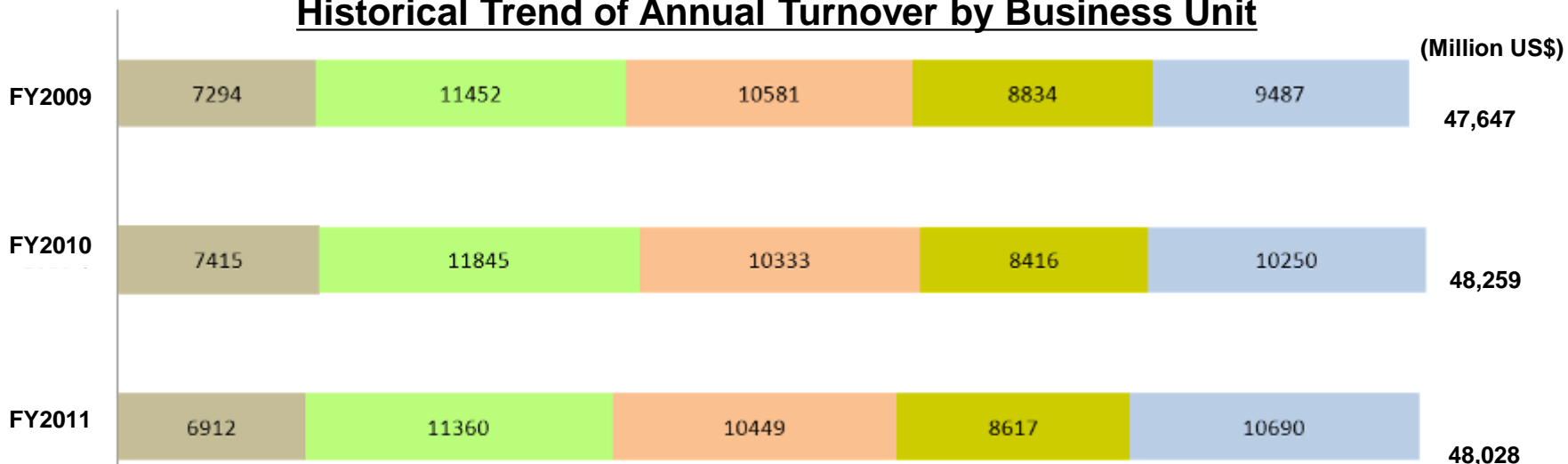


2. ZEN-NOH's Business Overview

- ZEN-NOH has been heavily invested in research and development in order that farmers can grow fresh, delicious, and reliable farm products. And through its oversea global network, ZEN-NOH supplies farm input and its material in a stable manner. ZEN-NOH supports farmers' lives as well as their farming activities in various ways.

In order to support Japanese growers, ZEN-NOH operates Rice Business, Horticulture Business, Livestock and Dairy Businesses, Agribusiness and Farm Input Business, and Fuel and Daily Necessities Businesses, and its total turnover is US\$48 billion in 2011.

Historical Trend of Annual Turnover by Business Unit



3. ZEN-NOH's Marketing Businesses

(①Japan's Leading Marketing Capability)

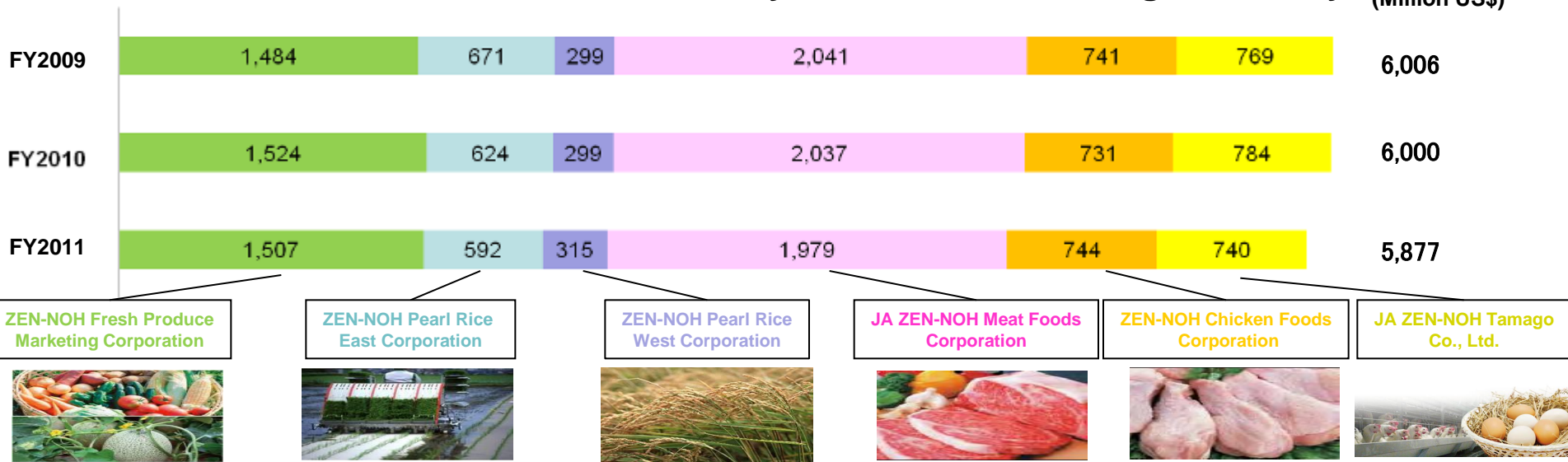
○ We are working aggressively to strengthen Japanese domestically produced farm products marketing.

ZEN-NOH's 3 major roles in Marketing businesses are ①Japan's Leading Marketing Capability (through direct marketing subsidiaries), ② Delivering safe and reliable farm products, and ③Matching production and marketing.

①Japan's Leading Marketing Capability (Direct Marketing Subsidiaries)

ZEN-NOH's consolidated total turnover is US\$62.2 billion in 2011. Sum total annual turnover of ZEN-NOH's 6 direct marketing subsidiaries (ZEN-NOH Fresh Produce Marketing Corporation, ZEN-NOH Pearl Rice East Corporation, ZEN-NOH Pearl Rice West Corporation, ZEN-NOH Chicken Foods Corporation, and JA ZEN-NOH Tamago Co., Ltd.) is US\$6 billion and positioned 7th among Japan's food trading companies. We expect it will grow up to US\$7 billion in 3 years, and US\$8 billion in 6 years respectively.

Historical Trend of Annual Turnover by each direct marketing subsidiary (Million US\$)



ZEN-NOH Fresh Produce Marketing Corporation

As a JA group's fresh produce logistics hub, the company delivers fresh produce to large consumer area directly.



Turnover: US\$1.5 billion

#2 among Fresh Produce Wholesalers

(FY2011)



ZEN-NOH Pearl Rice East Japan Corporation, ZEN-NOH Pearl Rice West Japan Corporation

To increase JA group's rice polishing and rice sales, they deliver domestically produced rice to 2 of the largest consumer areas.



Turnover: US\$0.9 billion
(2 companies together)

#2 among rice wholesalers

(FY2011)

JA ZEN-NOH Meat Foods Co., Ltd.

Through direct network with producers,
the company delivers both fresh meat and processed meat to all over Japan.



Turnover: US\$ 2.0 billion
#2 among Meat Processing
Wholesalers
(FY2011)

ZEN-NOH Chicken Foods Corporation

Through the vertical integration from growing, processing to sales,
the company delivers safe and reliable chicken to consumers.



Turnover: US\$ 0.7 billion
#1 among Chicken
Wholesalers
(FY2011)

JA ZEN-NOH Tamago Co., Ltd.

With its credible concept, the company delivers fresh, delicious and reliable eggs to consumers' everyday dining tables

Turnover: US\$ 0.7 billion

#1 among Egg Wholesalers

(FY2011)



Research and Development Center (Agricultural Products Development Department)

In ZEN-NOH's Research and Development Center, which is its technology central, Agricultural Products Development Department works on developing new varieties as well as new processed farm products.

New variety development and selection, and farming technology



Collaboration with National Agriculture and Food Research Organization



Processed farm products development and analysis



Product development all through production to sales,
Farming technology development to achieve labor saving, and low cost production.

4. ZEN-NOH's Marketing Businesses (②Delivering Safe and Reliable Farm Products)

②Delivering Safe and Reliable Farm Products

Research and Development Center (Pesticide Residue Analysis Department)

Pesticide Residue Analysis Department of Research and Development Center works on analyzing pesticide residue in farm products and foods in order to deliver safe and reliable farm products to consumers, and the department feeds back analysis results to consumers as well as to growers.

Implementing pesticide residue analysis in farm products and foods



Analysis results feed back

- Guarantee Japanese domestically produced farm products' safety and reliability to consumers
- Feed back to growers for better productivity

5. ZEN-NOH's Marketing Businesses

(③ Matching Production and Marketing)

③ Matching Production and Marketing

JA Group Japanese Domestically Produced Farm Products Expo

JA Group supports educating primary farmers, and holds annual JA Group Japanese Domestically Produced Farm Products Expo since 2006 in order to deliver safe and reliable farm products to consumers.

In February, 2013, JA Group and 150 related companies joined the 7th annual JA Group Japanese Domestically Produced Farm Products Expo at Tokyo International Forum, and gathered more than 4,500 of visitors, including cooperatives, large supermarket chains, and even buyers from overseas.

ZEN-NOH works on matching production and marketing mainly through these expos in order to market large variety of processed farm products as well as farm products to new distribution channels.



6. Japanese Domestically Produced Farm Products to Consumers

- Japan islands spread from north to south, which have created four seasons, abundant nature, various climates and landscapes, enabling us to produce farm products with high quality and high value. Japan is also surrounded by rich water, and it is said that Japanese culture is almost equivalent to the rice farming. Needless to say, Japanese farmers grow premium quality rice in throughout Japan.

In addition to Japan's variety of natural condition, growers' passion and efforts to grow farm products with precise farm management and advanced farming techniques are highly reputed from all over the world. ZEN-NOH group delivers safe, reliable and high quality farm products which Japan's agriculture is proud of to consumers.



Japan's indispensable staple food
Japanese Rice



From season to season,
wide variety of Japanese Fruits



Tasty and healthy
Japanese Tea

Thank you !

