

# Mitsubishi Monitor

A Bimonthly Review of the Mitsubishi Companies and Their People Around the World

Volume **22** No. **2** April & May

# 2008

**F**or car enthusiasts, the first quarter of 2008 offered thrilling previews into the immediate future, courtesy of **Mitsubishi Motors**. First, at the Detroit Auto Show in January, the company unveiled a new concept car, the MITSUBISHI Concept-RA, alongside the 2009 Ralliart edition of the hot-selling Lancer. Then, at the 78th Geneva International Motor Show held March 4–16, the Prototype-S concept car made its global debut.

MITSUBISHI Concept-RA is a sport coupe that offers exciting driving for the environment-minded thanks to a new and very fuel-efficient high-output diesel engine, a lightweight aluminum space frame body and interior parts made from Mitsubishi's own plant resin-based Green Plastic. The vehicle also includes Mitsubishi Motors' "next generation" Super-All Wheel Control (S-AWC) vehicle dynamics control system.



The Prototype-S sport hatchback concept

## Vroom in the Showroom

The 2009 Lancer Ralliart, due to go on sale in summer 2008 in North America, continues the sporty heritage of the Lancer lineup with aggressive styling and driving performance. Featuring a highly functional interior, the vehicle will be powered by a new 2.0-liter DOHC MIVEC turbocharged engine mated to Mitsubishi's Twin Clutch SST automated manual transmission, which provides silky-smooth shifting. A 4WD driveline equipped with Mitsubishi's Active Center Differential (ACD) matches steering response to traction characteristics.

The 2009 Lancer Ralliart's high-performance, ACD-equipped drivetrain is also a key feature of the new Prototype-S concept car. The car, which sports a low and wide profile derived from the Lancer family, is of the hatchback type popular on the European market. Mitsubishi's new vehicle design identity is also very prominent in the vehicle's low trapezoidal grille front fascia.

Combining exciting styling and performance with high fuel efficiency and other environmental features, these new models are sure to add even more vroom to the Mitsubishi brand lineup.



Sleek and futuristic; the MITSUBISHI Concept-RA

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"Mitsubishi" is more than 40 independent companies who honor the same basic guiding principles. The companies conduct their business activities separately but cooperate in areas like philanthropy and public affairs.

## Colorful Cocktail Promotion

Low-alcohol beverages, such as canned cocktails, are increasingly popular with young people in Japan. Kirin Brewery, a **Kirin Holdings** subsidiary that has a 34% share\* of the Japanese canned ready-to-drink market, sees western-style cocktails as a potential growth opportunity. For four months, ending March 2008, Kirin splashed out a bright new way to promote cocktails and paint itself as a leading brand in this market.

Color therapy is now very popular with women in their twenties and thirties. The technique involves choosing colors and using messages conveyed by those colors to draw out inner qualities and provide guidance. Now, cocktails are undeniably both colorful and popular, so why not create a line of "Color Therapy Cocktails" as a fun way to combine two subjects close to customers' hearts?

Using six highly colorful imported liqueurs, Kirin created ten different cocktails, including Exotic Tea, a yellow-green drink containing Cusenier Passion Fruit and green tea. To bring bars and restaurants on board, the company also distributed promotional tools, including original Color Therapy Cocktail recipe collections that explained the color combinations, and uniquely designed Color Therapy Coasters that could be arranged in multiple color patterns. Many of us have sought solace from cocktails at one time or another, but who knew they could also provide answers to life's important questions? ♦

\* Source: Jozo Sangyo Shimbunsha



"CUSENIER Crème de Cassis" and "Original PEACHTREE" are base spirits in the Color Therapy Cocktail range



Something a bit different— "CUSENIER Crème de Cassis" and "Kirin Nama-cha" bottled green tea

## Stunning Tokyo Skyscraper Marks Grand Finale to Urban Redevelopment

Tokyo's urban sprawl includes some stunning architecture, particularly in the Shiodome district by the city's historic waterfront. Originally marshland, this ultra-modern area today has several landmark skyscrapers.

The Shiodome Building, a joint development by **Mitsubishi Estate** and Tokyu Land Corporation, was completed on December 14, 2007 as the final major construction in one of Metropolitan Tokyo's largest urban development projects—the Shiodome SIO-SITE scheme, launched in 1992.

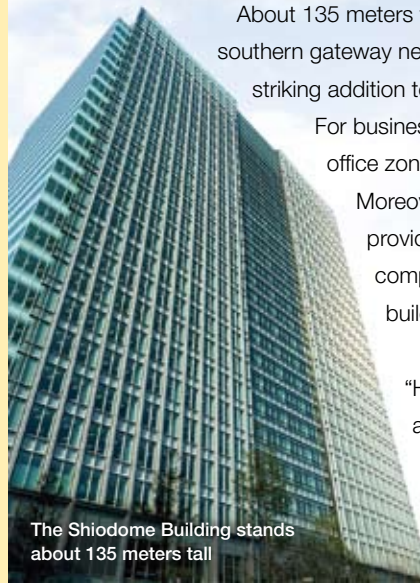
About 135 meters tall, the soaring building is located at the district's southern gateway next to JR Hamamatsucho Station, and makes a striking addition to the stylish urban environment.

For business people, it is certainly well-equipped, with an office zone extending from the fourth to the 24th levels. Moreover, the Private Office Zone on the 3rd floor provides serviced offices for small or newly started companies who require small-scale facilities. The new building is already fully tenanted.

The Gourmet Zone at the bottom, called "HAMASITE Gurume," offers visitors, office workers and local residents a multitude of restaurants and bars in a friendly, open space. And, as if that wasn't enough, Tokyo's famous Hamarikyu Garden is just nearby. Not bad, eh! ♦



Tasteful architecture in the entrance lobby of the "HAMASITE Gurume" zone



The Shiodome Building stands about 135 meters tall

## A Driving Experience Like No Other

It is all very familiar—you are behind the wheel cruising down the street, with buildings on both sides and cars ahead of you, behind you or passing you in the opposite lane. Yet, there is one key difference: the world outside the windshield is not real. Rather, it is an extremely realistic simulation.

The world's most sophisticated driving simulator, unveiled by Toyota Motor Corporation in November 2007 and located in Susono City, Shizuoka Prefecture, uses a range of advanced technologies to faithfully reproduce the sensation of driving.

**Mitsubishi Precision** provided many of the key components, including a lightweight but highly durable dome shell

equipped with a 360° imaging system, a huge simulation database and a powerful yet easy-to-use driving simulation program for use in R&D. The company also provided operator control panels, drawbridge systems and air conditioning equipment.

The central dome, 7.1 meters in diameter, contains an actual vehicle suspended on a platform. The dome, which is capable of moving 20 meters sideways and 35 meters forward-backwards, immerses the driver with its giant concave screen while tilting and vibrating realistically. A high-quality surround sound system further enhances the realism.

The simulator is a powerful tool for analyzing driving characteristics, for instance during the development and verification of accident reduction technologies, and will be of great assistance in creating new automotive solutions. ♦



The simulator uses a real vehicle...



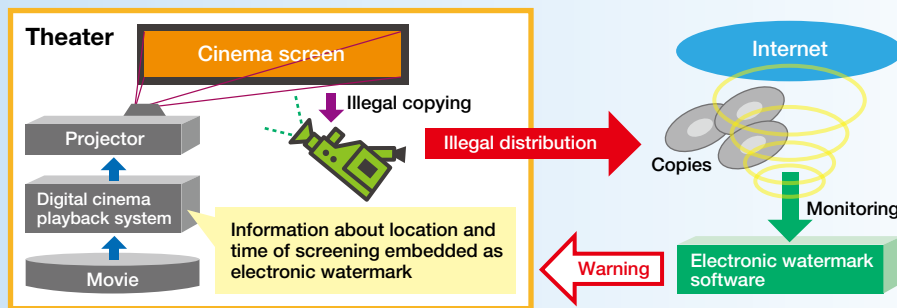
... and extremely realistic 360° visuals

## Electronic Watermarking Beats Video Pirates

Tough days ahead for video pirates! A new, revolutionary technology, developed by Japan Broadcasting Corporation (NHK) and **Mitsubishi Electric**, has made it possible to see where and when video content is copied with a video camera from a TV or movie screen. The new tracking method, known as "electronic watermarking," embeds information about the time and place a video is shown by using video and other data to create subtle changes in the visuals. Though imperceptible to the human eye, these changes are easily read by a computer.

The electronic watermarks are also extremely resilient. Not only do they survive recopying, they can also be detected in copies that have been filmed from an oblique angle or partially erased. As in the past, watermark data can also be detected in digital or analog copies made using video recorders and DVD recorders.

Finding ways of fighting video piracy has long been the focus of intensive R&D. In recent years, the problem has become increasingly serious due to the emergence of large-screen, high-resolution TVs, compact high-definition camcorders and other such products, which have made high-quality copying easier than ever. The new technology is expected to be a highly effective weapon in this ongoing battle. ♦



Schematic of the new electronic watermarking method

## New Camera Takes Cool Pictures

**Nikon** is world-renowned for its advanced optical technology, with a product line ranging from digital cameras to semiconductor wafer-handling equipment. In laboratories worldwide, the company is also highly regarded for its digital imaging systems for microscopes.

In January, Nikon's new DS-Ri1 camera head for microscopes went on sale in Japan. DS-Ri1, the latest addition to the company's Digital Sight series of microscopy imaging equipment, is specially designed to capture full-color images of very high resolution for real-time, high-speed data sharing among researchers.

There is great need among researchers for a camera of this type. When exhibited at the 30<sup>th</sup> Annual Meeting of the Molecular Biology Society of Japan and the 80<sup>th</sup> Annual Scientific Meeting of the Japanese Biochemical Society in December 2007, the unit drew considerable interest.

A key feature is the cooling of the central imaging chip to 10 °C below ambient temperature, resulting in outstanding color fidelity. There is also a new imaging algorithm that delivers extremely high-resolution 4076x3116 pixel images—ideal for low magnifications and enlargements. Finally, DS-Ri1 can be combined with an optional PC-connectible control unit, creating a multifunctional microscope imaging system with basic measurement functions.

Potential users range from researchers working in advanced biological and medical fields to general medical institutions. Industrial uses include research and development, and quality assurance and inspection processes. ♦



The camera is attached on top of the microscope

## NYK Crew Awarded for Daring Sea Rescue

On November 16, 2007, Japan's red-ribbon Medal of Honor was awarded to the crew of *NYK Starlight*, a containership operated by NYK, for rescuing two balloonists from the rough seas some 1,500 km off the coast of Miyagi, Japan in the early morning of January 27, 2004.

Captain Peter Damian Misquitta, the master of *NYK Starlight* at the time of the incident, attended the award ceremony with his wife and accepted the award on behalf of the crew. The ceremony was held at Japan's Ministry of Land, Infrastructure and Transport, and was followed by an audience with the Japanese Emperor.

The red-ribbon Medal of Honor is awarded to individuals who have risked their own lives to save the lives of others.

## NEWS Flashes

### Kirin Beverage Ventures to Vietnam

A Vietnamese joint venture, Vina Kirin Acecook Beverage Company, Limited is scheduled to launch this year. The new company will manufacture and market soft drinks to meet demand in this rapidly growing Asian economy. Kirin Beverage, a subsidiary of Kirin Holdings, will combine its knowledge of soft drink marketing and highly competitive manufacturing technology with the Acecook Group's knowledge of the Vietnamese market and sales resources. The formation of this joint venture reflects Kirin Beverage's recognition of Vietnam as a growing and strategic soft drink market.

### Tokio Marine & Nichido Fire Insurance in Joint Takaful Venture in Egypt

In December 2007, Tokio Marine & Nichido Fire Insurance (a member of the Millea Group) and Egypt Kuwait Holding Company, S.A.E. signed an agreement to establish joint venture Takaful companies in Egypt. Takaful is a special type of insurance that is compliant with *Shariah*, Islamic law.

In early 2008, the two companies established a Family Takaful company for *Shariah*-compliant life insurance services, and a General Takaful company for *Shariah*-compliant general insurance services in the country. Tokio Marine & Nichido Fire Insurance holds 40% of the capital for the two joint venture Takaful companies, which totals 30 million Egyptian Pounds, or US\$5,435,000.

Seeing the potential of the growing Islamic finance industry, Tokio Marine & Nichido Fire Insurance launched its first Takaful venture in Saudi Arabia in 2001. Since then, it has successively expanded its Takaful business in Indonesia, Singapore and Malaysia—and now, Egypt.



## Enhancing CO<sub>2</sub> Recovery in the Persian Gulf

**Mitsubishi Heavy Industries** (MHI) has signed a license agreement for carbon dioxide (CO<sub>2</sub>) recovery technology with Gulf Petrochemical Industries Company (GPIC), a manufacturer of fertilizers and petrochemicals in Bahrain. GPIC will use the technology to recover CO<sub>2</sub> from flue gas emitted at its existing petrochemical plant and utilize the captured CO<sub>2</sub> to increase urea and methanol production. The CO<sub>2</sub> recovery plant is slated for completion in January 2010.

The technology will recover CO<sub>2</sub> by absorbing it into a proprietary solvent known as KS-1, which MHI jointly developed with Kansai Electric Power Company, Inc. The recovery units are among the world's most efficient of their type, capable of capturing 450 tons of CO<sub>2</sub> per day and some 90% of the CO<sub>2</sub> in flue gas. The technology will also be used to boost production at a urea fertilizer plant delivered by MHI to GPIC in 1998.

In addition to urea production, CO<sub>2</sub> recovery technology can be used for chemical applications, such as production of methanol and dimethyl ether and, in the food and beverage industries, production of carbonated beverages and dry ice. Recovered CO<sub>2</sub> can also be injected into low-yield oil reservoirs to help extraction, an application known as Enhanced Oil Recovery (EOR). Due to recent oil price surges, demand for EOR has been rising sharply.

MHI now intends to promote its large-scale CO<sub>2</sub> recovery facilities for EOR applications, as well as for chemical plant applications.

**MHI's first CO<sub>2</sub> recovery plant, capable of recovering 200 tons per day, was first installed at Petronas Fertilizer (Kedah) Sdn. Bhd. in Malaysia in 1999**



## Ensuring Sustainable Forest Management

The Germany-based Forest Stewardship Council (FSC) was established in 1993 to encourage sustainable management of forests by certifying that they are appropriately managed from an



**A signboard certifying that Iwaizumi-cho's forest is sustainably managed**

environmental, economic and social perspective, and by operating a labeling system for wood and wood products from certified forests.

On November 6, 2007, **Mitsubishi Paper Mills** and Mitsubishi UFJ Asset Management Co., Ltd. held a ceremony in the town of Iwaizumi-cho together with the town's authorities to mark the signing of an agreement establishing a support system for FSC-certified forests. The new system aims to promote FSC certification, foster the development of forestry in Japan and help to develop CO<sub>2</sub> sinks. By area, Iwaizumi-cho, located in Iwate Prefecture, is the biggest town on Japan's main island of Honshu, with some 93% of the municipality covered by forest.

Mitsubishi UFJ Asset Management, which obtained ISO 14001 certification in March 2003 and is regarded as an environmentally responsible company, will help Iwaizumi-cho with part of the costs of managing its approximately 5,300 hectares of FSC-certified forest, and also use the forest for environmental education and staff recreation. Iwaizumi-cho, in turn, will work to develop the forest environmentally and economically. Finally, Mitsubishi Paper Mills will use pruning timber and other low-grade materials resulting from this development to manufacture FSC-certified paper.



## Earning High Marks for Eco-thinking

**Nippon Oil's rail tank cars carry the Eco Rail Mark**

In December 2007, Japan's Ministry of Land, Infrastructure and Transport authorized **Nippon Oil** to use the Eco Rail Mark for using rail transportation in an environmentally responsible way.

It is a fact that rail transportation offers lower CO<sub>2</sub> emissions per mile than trucking. The Ministry of Land, Infrastructure and Transport introduced the Eco Rail Mark system in April 2005 to reduce the environmental impact of distribution activities. The mark, which is granted either for products or for companies that actively use rail transportation, reminds consumers that rail transportation of freight produces less CO<sub>2</sub> than trucking, and encourages concerned shoppers to choose products delivered by rail. Currently, 13 products and 36 companies have received the mark, with Nippon Oil being the first company in the petroleum industry to be authorized. Kirin Beverage, a subsidiary of **Kirin Holdings**, has also received the Eco Rail Mark, as has **Mitsubishi Electric's** Living Environment & Digital Media Equipment Group.

Nippon Oil, which alone accounts for around 50% of all products transported in rail tank cars by Japan's petroleum industry, has also helped to improve transportation efficiency and reduce energy consumption by using larger rail tank cars. It is currently replacing existing 43-ton tankers with 45-ton versions. It plans to attach Eco Rail Marks to all 343 rail tank cars used at its Negishi, Muroran and Sendai Refineries.



**The Eco Rail Mark scheme promotes environmentally sound rail transportation**





## Special Exhibition Uncloids the Earth's Weather

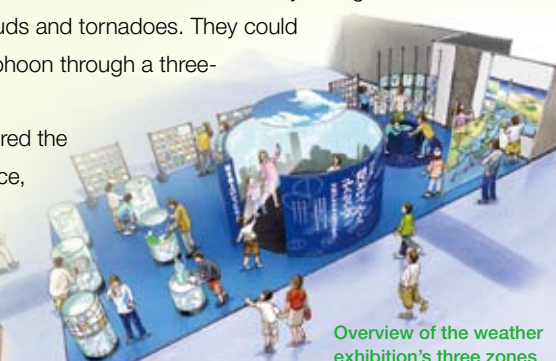
Since time immemorial, humans have tried to understand the forces that shape our weather. Although it is still not fully understood, rapidly advancing technology has helped scientists shed light on many of its mechanisms, and how they affect us.

From November 20, 2007 to March 30, 2008, **Mitsubishi Heavy Industries (MHI)** gave elementary school and junior high school students a torrent of fascinating information on this topic at its Mitsubishi Minatomirai Industrial Museum in Yokohama, just outside Tokyo. MHI established the museum in 1994 to inspire youngsters about science and technology.

Through three zones, the exhibition explored weather as viewed from the ground, from the air and from space. In the first zone, a ceiling-mounted screen displayed computer animations of common weather phenomena as we normally see them, including a blue sky, clouds, rain and lightning.

The second zone, designed to let visitors view the weather as if floating in the air, explored cloud formation and the mechanisms that cause rain, snow, fog, thunder and storms. At special interactive stations, students could study a single raindrop up close and create clouds and tornadoes. They could also explore the structure of a typhoon through a three-dimensional model.

In the final zone, visitors explored the Earth's weather as seen from space, using images from the Himawari weather satellite, panel displays and other materials providing easy-to-understand explanations.



Overview of the weather exhibition's three zones



## Baby Mammoth Offers Glimpse of a World Long Gone

Ironically, in May 2007 an ominous sign of global warming brought great rewards to scientists worldwide. In the melting Siberian permafrost, a Siberian reindeer herder came across the best-preserved mammoth specimen ever found.

Frozen in the ice 37,000 years ago at the tender age of six months, little Lyuba, named after the discoverer's wife, is far



Visitors flocked to see the baby mammoth

from a lumbering, hairy giant. She weighs in at 50 kg, is only 120 cm long and lacks tusks. Even so, the tiny calf attracted thousands of visitors to a special exhibition in Tokyo's Marunouchi Building from early January to early February. The exhibition, organized by The Yomiuri Shimbun, Jikei University School of Medicine and the National Science Museum, received special support by

**Mitsubishi Estate**, who provided building space and additional assistance.

After a photo exhibition about the find and the history of mammoths, who once roamed Europe, Africa, Asia and North America, visitors marveled at the nearly perfectly preserved specimen. Thanks to cutting-edge tomography scanning by Jikei University School of Medicine, where Lyuba was brought after the discovery, visitors could also see 3D images of the calf's interior.

Mammoths are thought to have existed as recently as 10,000 years ago, and scientists hope Lyuba can help explain the mystery of why they disappeared. But, to the exhibition's visitors, she certainly brought a bit of mystery too—a glimpse of a world long gone...



She is tiny for sure, but of huge value to science



## Marine Research Contributions Honored

In November 2007, **NYK** and two wholly owned subsidiaries, Japan Marine Science Inc. and NYK Cruises Co. Ltd., received a certificate of gratitude from Ryutaro Ohtsuka, president of the National Institute for Environmental Studies (NIES), for their participation in maritime research conducted by Masayuki Kunugi, a senior researcher at the institute. NIES, founded in 1974, is one of Japan's foremost environmental research institutions.



From left to right, Junya Ogawa, manager of the Environmental Management Team within the Safety and Environmental Management Group, NYK; Masao Nii, executive director of the National Institute for Environmental Studies (NIES); Ryutaro Ohtsuka, president of NIES; Masayuki Kunugi, senior researcher of NIES, and Yusei Sakae, managing director of Japan Marine Science Inc.

Mr. Kunugi studies marine contamination caused by hazardous chemical substances, mainly agricultural and other chemicals targeted by the Stockholm Convention on Persistent Organic Pollutants.

Since 2000, the NYK Group has been participating in research that involves analyzing seawater samples taken around tankers, container ships and cruise ships navigating the world's waterways. So far, more than 1,000 seawater samples have been collected from some 500 sites.

The NYK Group will continue to participate in this type of research to help lower the environmental impact of marine freight.



## Bank Staff Volunteer Disaster Relief for Pakistani Fishing Village

Pakistan's capital Karachi and its adjoining areas are prone to thunderstorms and torrential rain from May to August each year—and when it rains, it really rains! The massive downpours can destroy homes and crops, and Karachiites and people in other Pakistani cities often work alongside the corporate sector to help the victims. In July and August 2007, thunderstorms and torrential rain lashed the coastal towns, destroying hundreds of homes of fishermen. To help, staff at the Karachi Branch of **Bank of Tokyo-Mitsubishi UFJ** decided to visit the area and provide support by supplying food and daily consumables. After collecting money to buy the goods, a truck was rented to transport them to Ibrahim Hydere, a small coastal village where fishermen's huts had been badly damaged.

When handing out the goods on September 9, 2007, the situation proved to be more serious than thought—the number of people needing help was higher than shown by preliminary site surveys and the truck did not carry enough supplies. However, with the help of local community leaders, the aid crew could distribute the goods in an orderly fashion before finally returning to Karachi.

Mr. Shigeyuki Asakuma, General Manager of the Karachi Branch, and his crew of volunteers pose for the camera with a local woman



Driving back, they were at the same time shaken by the devastation they had seen and warmed by the heartfelt gratitude of the local people.



## Creating a Good Work-life Balance for Parents

In December 2007, Japan's Ministry of Health, Labor and Welfare recognized the Mitsubishi company **IT Frontier** for its corporate support of future generations through family-friendly policies. The Ministry has authorized it to use the

Kurumin mark for meeting criteria for parental support.

The mark is part of the Japanese government's response to the country's rapidly declining birthrate. Both the public and private sectors are being encouraged to create a workplace environment that enables parents to have and raise children while continuing to work.

IT Frontier responded to this call by creating working environments in which all employees can achieve a good balance between work and childcare. Female employees of IT Frontier who gave birth during the period covered by the company's action plan were



The Kurumin mark shows that a company offers good parental support

granted childcare leave. Male employees were also granted childcare leave and reduced working hours. In addition, a club for sharing information useful to working mothers was established. Finally, expectant parents and parents of young children are encouraged to share their childcare-related needs and concerns directly with the company's president and directors. IT Frontier will continue its efforts to provide a good work-life balance for its employees. Currently, about one-third of the Mitsubishi Public Affairs Committee member companies have received the Kurumin mark.



## Leisurely Museum Tours for People with Disabilities

People with disabilities, especially those in wheelchairs, often find it difficult to view exhibitions in crowded museums because of the walls of people that surround them. In April 2006, **Mitsubishi Corporation** (MC) took steps to rectify this situation by launching a program of special, free-of-charge visiting times for those with disabilities.

The Tokyo National Museum was the first to participate in this program, with the National Museum of Western Art and the National Science Museum soon following suit. By the end of December 2007, a

total of 1,700 people had participated in 12 visits to these three museums.

Typically, each visit begins with museum curators explaining the interesting features of the exhibits, after which people with disabilities can freely tour the museums at their leisure with families and friends. Several times a year, the tours are followed by workshops where participants can try their hands at creating their own works of art. Members of MC's tea ceremony club have even conducted tea ceremonies in a museum tea house.

The program has been a great success with both the visitors and the MC employees, who have flocked to help out as voluntary receptionists and supporters—for each visit, the number of applicants far surpasses the number of volunteers sought. MC now plans to expand the program by getting more museums in the Tokyo area to participate.

Concerts, workshops and other activities often follow the museum tours

Enjoying the museum tour—without the crowds!



# Financing that Makes the World Greener and Cleaner

>> The Bank of Tokyo-Mitsubishi UFJ, Ltd.

With global warming now widely recognized as a pressing problem, environmental projects of all kinds are being initiated across the world. However, for many such projects, especially those based on new technologies, finding reliable financial backing can prove difficult.

Here, Bank of Tokyo-Mitsubishi UFJ has stepped in to help. Driven by the corporate group's strong commitment to the environment, the bank has helped realize numerous environmental projects through its environmental financing services.

Takuya Senoo, Manager,  
ECA & Project Finance Department, Structured Finance Division



## Q What exactly is environmental finance?

Environmental finance can be defined as financing for projects based on environment-friendly technologies. Examples include wind, solar and biomass power generation projects, waste disposal schemes, wastewater treatment projects and biofuel projects.



North Hoyle Wind Farm, located off the North Wales coast and capable of powering 40,000 homes, was partly financed by Bank of Tokyo-Mitsubishi UFJ

Image supplied by npower renewables. © Dan Towers

The ECA & Project Finance Department in the Structured Finance Division is responsible for natural resource and infrastructure project finance, including environmental finance, all over the world. In particular, we have a strong track record in wind power projects in Japan and overseas. I would like to emphasize that, in the United Kingdom, we are involved in financing wind power projects that account for 40% of the country's wind power generation capacity.

## Q Wind power is the most rapidly growing form of alternative power generation. Why is that?

As the reduction of greenhouse gas emissions becomes ever more urgent worldwide, there is an increasing need to find alternatives to coal-fired power generation. Wind power is one of the most promising and commercially viable solutions, given that the number of sites

where hydroelectric facilities are viable is limited, and that opinions are divided on nuclear power. Although wind power also has weaknesses, including inconsistent output and a lack of suitable sites, subsidy schemes and technological advances have expanded its usage potential. In recent years, the capacity of wind turbines has increased, and there are now systems capable of delivering up to about 3 MW. An increasing number of facilities are located offshore.

## Q What factors do you take into account when financing wind power projects?

Financing structures and risk profiles for wind power projects vary depending on whether facilities are to be constructed or already in operation. If facilities are to be constructed, we have to look into the risks relating to the construction. If the loan life covers the operational phase, the key factors to consider include market risks, operational risks and wind risks. Deep knowledge about these factors gives us a competitive edge against both international and local banks. We have accumulated considerable experience and knowledge about wind from projects, particularly regarding the assessment of wind risks, which arise from uncertainties about the force and directions of wind.

## Q What aspects of environmental finance require particular care?

To provide finance in an area in which we cannot fully ascertain whether or not the risks are acceptable, we first need to understand the specific technologies used for various power generation methods. This is because renewable power projects often use large amounts of new technology, some of which is not yet fully proven or not known to financial institutions.

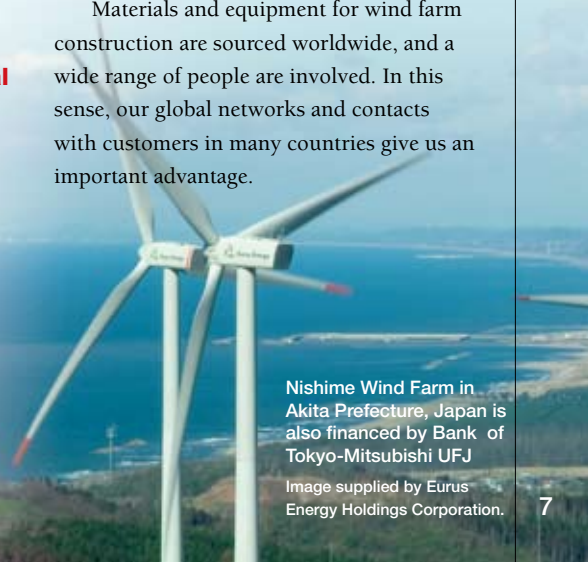
Another issue is that environment-related projects may not be as cost-

competitive as other forms of power generation, such as coal and gas. For this reason, renewable energy projects are usually supported by various government initiatives, such as tax concessions, commitments to purchase renewable energy at fixed prices and usage obligations under special laws, such as Japan's Renewable Portfolio Standards (RPS) Law. Because finance is provided over periods of 10–15 years, we must carefully gather evidence about the level of long-term commitment by the governments of the countries concerned.

## Q How do you expect this area of business to evolve in the future?

Many governments are now taking steps to combat global warming. For example, the EU has set a target calling for 20% of its energy to be generated from renewable sources by 2020. Such governmental support will continue to be a major growth driver in the market for environmental investment. A key priority for us is to increase our understanding of trends in new technologies, government initiatives and regulations. We are continually updating our information, as we wish to avoid situations in which we must decline financing a project due to our own lack of understanding about technologies and regulations.

Materials and equipment for wind farm construction are sourced worldwide, and a wide range of people are involved. In this sense, our global networks and contacts with customers in many countries give us an important advantage.



Nishime Wind Farm in Akita Prefecture, Japan is also financed by Bank of Tokyo-Mitsubishi UFJ

Image supplied by Eurus Energy Holdings Corporation.

# A Celebration of Growth and Happiness

Every year on May 5, exactly two months and two days after the day Japanese families celebrate their little girls (reported in the last issue of the *Monitor*), the country's little boys get to have *their* special day.

At least, that was the way it was officially until 1948. The tradition is believed to date back to the Nara Period (710–794 AD) and the *tango no sekku* festival, which marked the beginning of summer and in which families celebrated the growth of strong, healthy boys. Then, in 1948, the government decreed the day should be made a national holiday celebrating the growth and happiness of all children, and the devotion of their mothers. The new holiday was named *kodomo no hi*—Children's Day.

However, the ancient traditions are still cherished. In the days before May 5, families with young children raise *koinobori* banners shaped like carps, traditional symbols of luck and prosperity. While the banners flutter en masse in the wind above every neighborhood, houses are meticulously cleaned and special ornaments appear in living rooms and entrances. Then, on the big day, families gather to enjoy *kashiwa-mochi*, sweet rice cakes wrapped in oak leaves, with much gusto.

The ornaments, in particular, reveal why this day is still seen by many as the boys' special day—a traditional *kabuto* helmet, worn by samurai warriors in battle, and a doll of the legendary hero Kintaro, who as a child was famous for his Herculean strength. Both symbolize a strong and healthy boy.

Whether you choose to see this day as Boy's Day or Children's Day, May 5 remains a wonderful celebration of the little ones' joy of life, and the love and hopes of the parents.

The samurai helmet is a traditional Children's Day ornament



## MHI Equipment Europe B.V. (MEE)

Jan-Willem Mercx  
Project Leader Turbo

### Mitsubishi in the Netherlands—Meet the Dutch!

● MHI started business in 1980 in the Netherlands by taking over SAMOFA, an engine manufacturer for marine applications.

Over the following years, the company's business expanded in Europe, helped by the commencement of sales and later also production of turbo chargers from 1988 under the name of MHI Equipment Europe BV. This proved to be a good move—the business has grown very rapidly since.

● Why in the Netherlands? We are known for our trading culture, which has its origins in the 17th century when trading brought us many new experiences from the Far East. Among the many countries we established contacts with was Japan, who for quite a long time allowed only the Dutch to trade with them. Since then, Japan and the Netherlands have always maintained close relationships, and there are still many Japanese companies located in the Netherlands.

● What is typically Dutch? Wooden clogs, tulips and

windmills. Wind power has been an energy source for small industry for ages and the windmills protected our country against the water—40% of our country's surface is below sea level. Wooden clogs were used by farmers in the past centuries, and the tulips are our beloved flowers, available in

many varieties that can be seen in the Keukenhof flower garden every year in spring—a very famous event!

● On a culinary level, we are known for potatoes, traditionally combined with vegetables and some meat, like in pea soup. But, thanks to our trading history all kinds of international dishes can be found here. Other famous Dutch products are the Dutch cheese, Jenever,

a strong liquor made from grain and of course Heineken Beer, which needs no further introduction.

● But, we are best known for our flood control technologies, which are not only necessary for keeping the economy going but will also be essential over the years to come!



Windmills lining a canal—a very Dutch scenery

### [ We want your feedback! ]

•E-mail form: <http://www.mitsubishi.com/mpac/e/talk/> •Website: <http://www.mitsubishi.com/mpac/e/>

The *Mitsubishi Monitor* is published by the Mitsubishi Public Affairs Committee  
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