



December 12, 2013

Company Name Marubeni Corporation
Representative Fumiya Kokubu President & CEO
TSE Code 8002 (1st Selection)
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Announcement of Spin Off

Marubeni Corporation (“Marubeni”) announced that the Board of Directors’ Meeting held today has resolved to spin off the operation of Marubeni’s 100% subsidiary, Marubeni Access Solutions, Inc. (“MAS”) into a newly established company, and to merge MAS which will be wholly subsidiary of newly established company and UCOM Corporation (“UCOM”) effective as of February 1, 2014 (tentative).

The spinoff, to be conducted by Marubeni as an entirely independent action, will be achieved through a simple incorporation-type separation, and therefore certain details have been omitted from this disclosure.

1. Objective of the Corporate Spinoff

In an effort of expanding Marubeni’s ICT related business, Marubeni makes the company newly established with the spinoff to inherit the operation of MAS for the purpose of merger of MAS and UCOM. (Please see the attachment for details of merger.)

2. Outline of the Corporate Spinoff

(1) Schedule

December 12 , 2013	Resolution by Board of Directors approving the spinoff
January 31 , 2014 (scheduled)	Scheduled date of the corporate spinoff (effective date)

※This corporate spinoff, pursuant to Article 805 of the Companies Act, will be executed without the approval of a General Meeting of the Shareholders. (Simple Incorporation-Type Separations)

(2) Method

Following a simple incorporation-type separation from Marubeni, a newly incorporated subsidiary company will be established.

(3) Allotment of Shares

The company newly established with the spinoff will issue 1 share of common stock, all of which shall be allotted to Marubeni.

(4) Treatment of Share Purchase Warrant and Bonds with Share Purchase Warrants

Marubeni has not issued share purchase warrants and bonds with share purchase warrants.

(5) Decrease in Capital Resulting from the Spinoff

There will be no decrease in capital resulting from the spinoff.

(6) The Rights and Obligations Transferred to the Newly Established Company

The newly established company inherits from Marubeni the rights and obligations decided on the incorporation-type company split plan as of today. The newly established company doesn't inherit payables and employment contracts from Marubeni.

(7) Ability to Fulfill Obligations

There will be no obligations to be fulfilled by the newly established company.

3. Overview of the Company Spinoff

	Transferor Company (As of March 31, 2013)	Newly Established Company (At the time of Establishment (Scheduled))
(1) Company Name	Marubeni Corporation	MAS Holdings, Co., Ltd.
(2) Address of Headquarters	4-2, Ohtemachi 1-chome, Chiyoda-ku, Tokyo, Japan	4-2, Ohtemachi 1-chome, Chiyoda-ku, Tokyo, Japan
(3) Representative	Fumiya Kokubu, President & CEO	Hikaru Minami, President
(4) Business Description	Export and import of products both domestically and internationally, etc.	Operation of MAS
(5) Capital	262,686 million yen	1 yen
(6) Date Established	1 December, 1949	31 January, 2014 (Scheduled)
(7) Number of Shares Issued	1,737,940,900 shares	1 share
(8) Fiscal Year-End	March 31	March 31
(9) Number of Employees	(Consolidated) 33,566	0

(10) Major Shareholders and Percentage of Share Hold	Japan Trustee Services Bank, Ltd.	5.35%	Marubeni Corporation 100%
	The Master Trust Bank of Japan, Ltd.	4.80%	
	Sompo Japan Insurance Inc.	3.23%	
(11) Relationships between the Party Companies			
Capital Relationship	At the date of corporate spinoff, Marubeni owns 100% shares of newly established company, and it owns 100% shares of MAS.		
Personnel Relationship	3 directors and 1 auditor will be dispatched from Marubeni at the time of establishment.		
Business Relationship	There will be no business relationship.		
(12) Transferor Company Consolidated Financial Results for the Latest Three Fiscal Years			
	Marubeni Corporation (Consolidated)		
Fiscal Year	Fiscal 2010	Fiscal 2011	Fiscal 2012
Net Assets (millions of yen)	831,730	915,770	1,188,379
Total Assets (millions of yen)	4,679,089	5,129,887	5,965,086
Net Assets per Share (yen)	478.57	526.92	683.78
Net Sales (millions of yen)	9,020,468	10,584,393	10,509,088
Operating Income (millions of yen)	145,774	157,315	122,932
Net before Tax (millions of yen)	207,217	260,983	247,543
Net Profit after Tax (millions of yen)	136,541	172,125	205,696
Net Profit per Share (yen)	78.63	99.13	118.48
Annual Dividend per Share (yen)	12.00	20.00	24.00

4. Overview of Business Division to be Spun Off

(1) Business Description of the Division to be Spun Off

Operation of MAS

(2) Financial Results of Division to be Spun Off (Results of Fiscal 2012)

	Operation of MAS (a)	Marubeni (b)	Ratio (a/b)
Net Sales (millions of yen)	0	10,509,088	0%

(3) Assets and Liabilities of Division to be Spun Off (Amounts as of 31 March, 2013)

Assets	Liabilities
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Category	Book Value	Category	Book Value
Current Assets	0 yen	Current Liabilities	0 yen
Fixed Assets	17,225 million yen	Fixed Liabilities	0 yen
Total	17,225 million yen	Total	0 yen

5. Profile of Marubeni and the newly established company after spinoff
6. The company name address of headquarters, representative, business description, capital and fiscal year of Marubeni and the newly established company after the spinoff are described on 「3. Overview of the Company Spinoff」. MAS, which will be a subsidiary of the newly established company, is merged with UCOM as of effective on 1 February, 2014, and the ratio of voting of the newly established company will be 49%.
7. Future Forecast
The effects the spinoff will have on business performance of Marubeni are minor.

(End)

Attachment: Overview of Merger

<Attachment >

Overview of Merger

1. Objective of Merger

UCOM owns a last one mile broadband access network called FTTx (Fiber To The Home or Office) and was the first telecommunications carrier in the world to provide B to C Internet access service via optical fiber. UCOM deploys the brand of “UCOM Hikari” , which is an optical fiber Internet access service based on their own network, and provides a broadband environment (approximately 500,000 lines) to enterprises and consumers. Particularly in the field of whole-building Internet access service for apartments, UCOM has grown to become a top-class brand.

MAS owns high-capacity optical fiber cable backbone networks in domestic Japan, widely providing telecommunication services such as leased circuit, IP-VPN, Internet access service, and mobiles mainly to the enterprise customers as a telecommunication carrier to provide front-line network service to support business in the age of broadband.

As MAS’ s optical fiber cable backbone network and UCOM’ s FTTx last one mile network are complimentary to each other, by unifying the business and infrastructure of both companies, it is expected that the development of formerly unrealizable new services will lead to further business expansion. In addition, the creation of merger synergies from advantage of scale is expected. UCOM and MAS agreed on the merger after concluding that it is desirable for both companies to increase their corporate value by utilizing their respective strengths in their aim to become an independent leading provider of broadband infrastructure and related solutions. Going forward, the IT infrastructure environment of enterprises is predicted to shift toward cloud-based computing and faster networks to answer the demands of greater work efficiency, cost saving, increased security, use and application of big data, and so on. A communications service best suited to answering these will therefore be sought. On the other hand, in terms of the IT infrastructure environment of individual consumers, broadband utilization is expected to accelerate as the spread of video content viewing and Home Energy Management System (HEMS) see increased demand for a high capacity and high quality network. With this merger, establishment and enhancement of the operating base to meet the demand of enterprises and individual consumers are certainly possible, and this also makes it possible to provide more added value to all of the stakeholders in the long-term.

The following points are expected as merger synergies of UCOM and MAS.

① Enhancement and Expansion of Operating Base

With MAS’ s backbone and UCOM’ s FTTx network, it is planned to develop an enterprise market which was hard to go into for both parties from now through the development of new, ever

unrealizable service. Besides, it is planned to enhance and expand the power of sales through the cross-sales and one-stop services utilizing the customer bases concentrating on the enterprise market, existing sales partners, and sales channels as real estate developers.

② Unifying and sharing the network facility

It is planned to improve the efficiency of operation and to save the cost with the consolidation and optimization of the facility like backbone network, other communication facilities (Nodes), which each parties own. The efficiency by the unification of the organization of O&M is also planned.

③ Enhancement and Improvement of the Power of Technology and Human Resources

Through the merger of engineers from both parties, significant improvements will be made in areas of proposals, technologies, and solutions, thereby bolstering readiness to address the increasingly sophisticated and diversified needs of customers.

In order to promptly and smoothly promote the purpose of the merger, UCOM and MAS have agreed to jointly establish a merger committee to discuss and build a consensus among both parties regarding the key issues related to the merger. The details of these issues are to be discussed at the merger committee.

2. Merger Schedule

December 12, 2013	Conclusion of the merger agreement
January 7, 2014 (Scheduled)	Extraordinary shareholders' meeting (UCOM)
January 23, 2014 (Scheduled)	Extraordinary shareholders' meeting (MAS)
February 1, 2014 (Scheduled)	Effective date of the merger

3. Method of Merger

Although both companies are merged on an equal footing, under the legal procedure, MAS will be the company surviving the absorption-type merger.

4. Outline of the Parties Subject to Merger

(As of the end of November, 2013)

	MAS (Surviving Company)	UCOM (Merged Company)
(1) Name	Marubeni Access Solutions Inc.	UCOM Corporation
(2) Business Description	Telecommunication Service, Data Center Service, etc.	Telecommunication Service, Data Center Service, etc.
(3) Date Established	4 November, 1997	18 April, 2013
(4) Address of	6-1, Ohtemachi 2-chome,	2-8, Shibaura 4-chome,

Headquarters	Chiyoda-ku, Tokyo, Japan	Minato-ku, Tokyo, Japan
(5) Representative	Hidehisa Saito, President	Tomonori Osawa, President Representative of Directors
(6) Capital	5,000 million yen	1,915 million yen
(7) Number of Shares Issued	488,102 shares	4,824,650 shares
(8) Fiscal Year-End	31 March	31 August
(9) Major Shareholders	Marubeni Corporation	Unison Capital Partners, Limited GEAM International Private Equity Fund, L.P. Mizuho Capital No.3 Limited Partnership Kandenko Co., Ltd. Forval Corporation MIRAIT Holdings Corporation Daiko Communications Co., Ltd.

5. Profile of the New Company after Merger

(1) Name	To be determined among both parties by the date of the merger
(2) Business Description	Telecommunication Service, Data Center Service, etc.
(3) Address of Headquarters	2-8, Shibaura 4-chome, Minato-ku, Tokyo, Japan
(4) Representative	Tomonori Osawa, President Representative of Directors
(5) Capital	5,000 million yen
(6) Fiscal Year-End	31 March
(7) Shareholders	Marubeni Group Unison Capital Partners, Limited Others

6. Future Forecast

The effects the merger will have on business performance of Marubeni are under estimation.
Any revision of the earnings estimation will be promptly reported.

(End)