

November 22, 2006

**Mitsubishi International Corporation Foundation participates in  
the “Oasis Project”, a Watershed Protection Project in Sao Paulo, Brazil**

New York (November 22, 2006)- At its annual meeting on November 6, the Board of Directors of Mitsubishi International Corporation Foundation (MICF) approved a grant of \$400,000, payable over 5 years, to O Boticario Foundation for a watershed protection project in Sao Paulo, Brazil called the “Oasis Project”. This project uses a progressive environmental conservation scheme called PES (Payment for Ecosystem Services), which refers to the economic arrangements used to reward the conservation of ecosystem services. While the global demand for clean water is expected to double, if not triple, in the next 50 years, The Oasis Project is the first PES project in Brazil that focuses on watershed protection involving private landowners.

<The Oasis Project>

MICF has decided to support the Oasis Project, an innovative initiative by the O Boticario Foundation that will offer payments to landowners for conservation easements aimed at preserving natural areas on their land. With the aim to strengthen the protection of remaining Atlantic Forest areas and ecosystems associated with the Watershed Protection Area of the Sao Paulo Metropolitan Region, O Boticario Foundation has been developing this project for more than three years and has identified key conservation areas to which it will apply an environmental valuation model that it has created in partnership with environmental economics and legal experts. This region, which includes the Guarapiranga Watershed Basin, encompasses approximately 90 thousand hectares and serves the water supply for nearly 4 million people in Sao Paulo. The goal for the first phase of the Oasis Project is to protect 2,500 hectares of private land under agreements to be signed between 2007 and 2011 with a project budget of approximately 5 million dollars.

As the population of Sao Paulo continues to swell, the natural protected areas surrounding the watersheds are being exploited, resulting in a contamination of the water quality. At the same time, the city has to meet the increasing demand of water supply due to increased population. MICEF, together with the O Boticario Foundation, focuses on protecting the water quality and supply of the Guarapiranga Watershed through the Oasis Project, in hopes of securing Sao Paulo's environmental and economic future.

<The O Boticario Foundation>

The O Boticario Foundation, based in Curitiba Brazil, is a non-profit-organization established in 1990 with a focus on conservation natural areas and promoting environmental education throughout Brazil. The Foundation manages the Salto Morato Natural Reserve in the Southern Coast of Brazil, a natural heritage site recognized by UNESCO, and provides environmental education as well as scientific research support. The Foundation also established exhibits about conservation in Curitiba, Sao Paulo, and the Pantanal to enhance environmental education.

<The Mitsubishi International Corporation Foundation (MICEF)>

The MICEF, based in New York City, was established in 1992 with funding from Mitsubishi Corporation of Japan, and its U.S.-based subsidiary, Mitsubishi International Corporation. With a current endowment of nearly \$6 million, the Foundation has dedicated more than \$3 million to environmental causes throughout the Americas.

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