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Sojitz Corporation
Sojitz Corporation of America

Sojitz Invests in a Maintenance, Repair and Overhaul (MRO) Company in North America

Sojitz Corporation and Sojitz Corporation of America have acquired a roughly 41% ownership interest in Cad Railway Industries Limited (CADRI), a Canadian company that operates in the Rail MRO business in North America. Sojitz's investment in CADRI marks the first time a Japanese company has participated in such a business in North America.



[Inside CADRI's factory]



[Example of the train cars which CADRI handles]

CADRI's customers consist of mostly major North American freight rail companies, locomotive and railway car leasing companies, and Canadian or state-owned transit authorities. It provides a wide range of technical services ranging from train car, locomotives and related parts maintenance and repair to construction and overhaul. What differentiates CADRI from its competitors is its ability to work on a wide range of locomotives, freight cars, and passenger cars of differing uses and specifications, with customers stretching from Canada to Mexico.

Railways are said to produce roughly one-eighth of the carbon dioxide that automobiles emit per unit transported and are able to transport mass quantities in bulk. Such efficiency and utility in environmental conservation have led experts to predict sustained growth in rail-based infrastructure markets around the world. This is doubly true for the North American market; great progress in rail-based transportation of both cargo and passengers is expected for the future, given that the region

boasts the world's longest running train line and railway volume, exhibits long-term economic growth, plays host to a growing population, and shows an active interest in reducing environmental emissions. Additionally, sustainable growth is predicted for the railway car maintenance service industry, based on a rising demand for the MRO of train cars in order to increase the number of railway cars and locomotives in use, and the improved safety and extended lifespans of such cars.

The Sojitz Group has over 60 years of experience selling railway cars and related machinery in North America and other world locations. Sojitz also has a track record in the construction of railway infrastructure in countries such as India and the Republic of Korea. Sojitz aims to leverage its experience in collaboration with CADRI management and technical personnel to promote the expansion of CADRI's business, as well as bolster its own Railway-related businesses in North America with its participation as a shareholder of CADRI. Moving forward, Sojitz will continue to work to build an asset portfolio with a stable earnings foundation from which to develop the railway MRO businesses in Australia, Europe, and emerging countries in Asia, which seek to expand their train infrastructure.

Additional Information

【Cad Railway Industries Limited – Company Overview】

Main Business: Rail car MRO business

Established: 1968

Head Office: Montreal, Quebec, Canada

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