

April 6, 2017

Sojitz Corporation

Sojitz Acquires Stake in Gas-fired Power Plant in Northeastern U.S.

Sojitz Corporation has closed the acquisition of a 33.33% equity stake in a natural gas-fired power plant facility (“Birdsboro Power Plant”) currently under construction in the northeastern United States near Pennsylvania’s Marcellus Shale, pursuant to an agreement with a fund managed by Ares EIF Management, LLC (“Ares EIF”). Ares EIF is a value-add infrastructure investor with extensive experience in the development and management of power plants within the U.S.



【Logo】



【Concept Image】

The Birdsboro Power Plant will be a combined-cycle generating facility* with total output of 488 megawatts. The project company will purchase state-of-the-art gas and steam turbines manufactured by General Electric International, Inc. (“GE”). The plant is expected to begin commercial operations in spring 2019, at which point it will supply energy to the northeastern United States within the PJM region (originally Pennsylvania-New Jersey-Maryland, now all or parts of 13 states plus the District of Columbia), North America’s largest wholesale electricity market. The Birdsboro Power Plant will contribute to filling the void left by a wave of retiring coal and nuclear power generators in the region, and will benefit from low-cost fuel from the Utica and Marcellus shales, the world’s most prolific natural

gas play. Highly efficient new turbine technology is expected to drive strong and consistent performance.

While Sojitz’s power portfolio includes a variety of investments in natural gas-fired power plants in the Middle East, Asia, and South America, this project represents Sojitz’s first large-scale power plant investment in the North American market. As demand for large-scale power projects and other infrastructure-related investments in the U.S. rises, Sojitz will make use of its power and energy experience to proactively pursue initiatives in this sector.

* Combined-cycle generation—A form of power generation with a combination of gas and steam turbines in order to produce energy more efficiently than a generator configured with only a gas turbine.

Related Information:

Overview of Birdsboro Power Project

Project Name	Birdsboro Power
Main Business	Sale of electricity and capacity from a natural gas-fired power plant into the PJM marketplace (a regional wholesale electricity market in the northeastern United States)
Project Site	Birdsboro, Berks County, Pennsylvania (U.S.)
Ownership	Sojitz - 33.33%, Ares EIF - 66.67%
Generation Capacity (Total Output)	488MW
Key Equipment	Gas turbine manufactured by GE (Model: 7HA.02)
Expected Start of Commercial Operations	Q2 2019 under EPC contract with Kiewit Corporation

Overview of Ares EIF

Company Name	Ares EIF Management, LLC
Location	Multiple United States offices including New York, Boston, San Francisco, and Los Angeles
Established	1987
Main Business	Ares EIF, formerly known as Energy Investors Funds (EIF), was acquired by Ares Management, LP (a leading global investment manager listed on the New York Stock Exchange) in January 2015. Ares EIF has a 30-year track record and is one of the first managers focused on the independent power and electric utility industry. Ares EIF-managed funds are experienced investors in new-build generation and transmission in the United States having invested in nearly 9,000 gross MW of greenfield projects representing more than \$10 billion of capital costs in the United States Power Fund series.

[For questions about this release, contact:]

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