

February 27, 2015

Sojitz Corporation
Sojitz Logistics Corporation

Sojitz Launches Regular Consolidated Land Transportation Service Linking Cambodia and Thailand

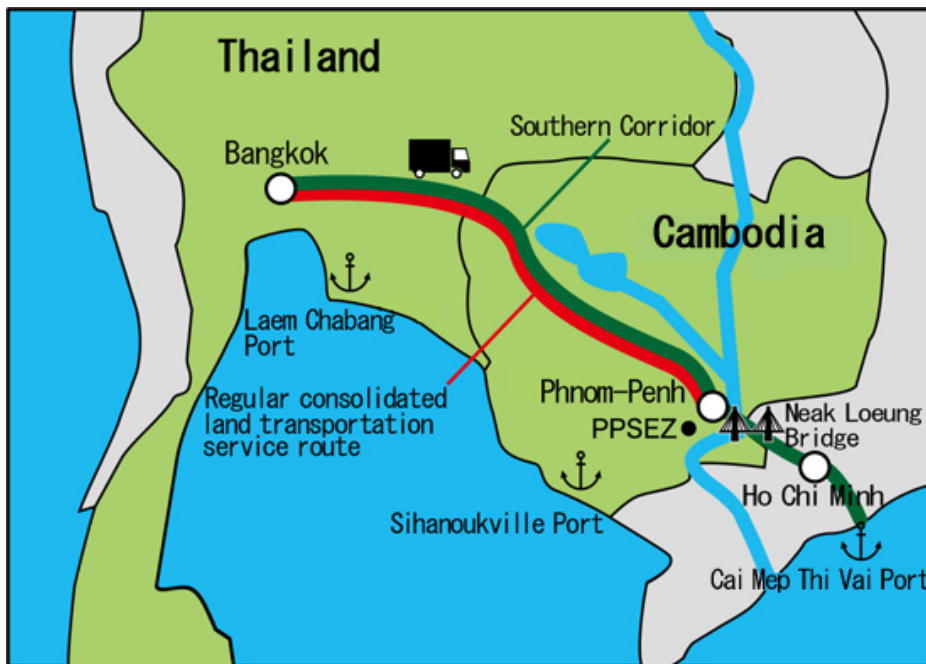
**First Such Service by a Japanese Company Launched in Collaboration with Phnom
Penh Special Economic Zone**

Sojitz Logistics Corporation will launch a regular consolidated land transportation service linking Cambodia and Thailand in March 2015. This is the first such service by a Japanese logistics company. With the launch of the new service, efficient, integrated transport will be provided over the 660 km east-west route between Phnom Penh and Bangkok via the Southern Corridor.

Sojitz Logistics launched the Cross-Border Transportation Service (“CBT Service”) for overland transport of large freight between Ho Chi Minh, Phnom Penh, and Bangkok in 2011 and has established a track record with that service. With regard to small freight, customs procedures between Cambodia and Thailand are complicated, making consolidated cargo difficult. As a result, it is necessary to rely on ocean transportation between Phnom Penh and Bangkok (via Singapore), and transit time is approximately 20 days. Recently, consolidated cargo became possible through the consolidation of small freight and simplification of customs procedures on the overland route, and the transit time will be reduced to approximately 5 days.

The Mekong region is currently undergoing rapid economic growth, and need for production sites by Japanese companies continues to increase. In Cambodia, which has an abundant labor force, the division of labor to supplement production sites in Thailand, which is experiencing labor shortages and rising wages, is ongoing under the “Thailand plus one” strategy. Under these circumstances, the Phnom Penh Special Economic Zone (Phnom Penh SEZ Co., Ltd.; “PPSEZ”) has the highest concentration of Japanese manufacturing companies in Cambodia, and the demand for small freight transport services that can handle small volumes of many different types of products between Cambodia and Thailand is growing. Sojitz Logistics received comprehensive cooperation from PPSEZ concerning the launch of the new service, and the service will initially respond to needs from tenants in the PPSEZ.

Infrastructure development in the Mekong region is progressing in preparation for the creation of the ASEAN Economic Community at the end of 2015 and the Neak Loeung Bridge, a Mekong River crossing on the Southern Corridor, is scheduled to open in the near future. As a result, the entire 850-kilometer Southern Corridor route between Ho Chi Minh and Bangkok will be connected overland, and freight volumes are expected to increase rapidly. Sojitz Logistics will strengthen the CBT Service and expand services using other overland routes as well.



【Route of the Regular Consolidated Land Transportation Service between Cambodia and Thailand】



【Aranyaprathet, at the border between Thailand and Cambodia】



【Neak Loeung Bridge】



【Phnom Penh Special Economic Zone】

■ Overview of PPSEZ

Company Name	Phnom Penh SEZ Co., Ltd.
Established	October 27, 2006
Capitalization	23 million US dollars
Representative	Hiroshi Uematstu, CEO
Head Office	National Road No.4, Khan Posenchey, Phnom Penh, Cambodia
Phone	+855-(0)23-729-798
Total area under development	360 ha
Location	Approx. 8 km from an international airport, 18 km from the city, and 211 km from Sihanoukville Port (National Highway 4)
No. of tenants	77 (including 42 Japanese companies, as of February 2015)

■ Benefits of the Regular Consolidated Land Transportation Service between Cambodia and Thailand

(1) Shorter transit time

Consolidated ocean transportation requires approximately 20 days, but the overland route will require only about 5 days.

(2) Transportation of diverse, small quantities is possible

The service offers regular consolidated transportation using truck and containers, making transportation of diverse, small quantities possible.

(3) Reasonable transportation costs

Even though the service provides overland transport, the costs are approximately the same as ocean transportation.

■ Overview of the CBT Service

- (1) Third countries such as Japan ⇔ (ocean routes) Port of Ho Chi Minh ⇔ (overland) Phnom Penh
- (2) Bangkok ⇔ (overland) Phnom Penh ⇔ (overland) Ho Chi Minh
* Launch of consolidated land transportation service between Bangkok and Phnom Penh
- (3) Ho Chi Minh ⇔ (ocean route) ⇔ Phnom Penh

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