

October 17th, 2016

Sojitz Corporation

Sojitz Receives Contract for Civil & Track Works, Electrification, Signals
& Telecommunications Work on Dedicated Freight Corridor
between Delhi and Mumbai
~Total Contractual Amount Exceeds JPY 350 Billion,
Largest Yen-Based Loan in History~

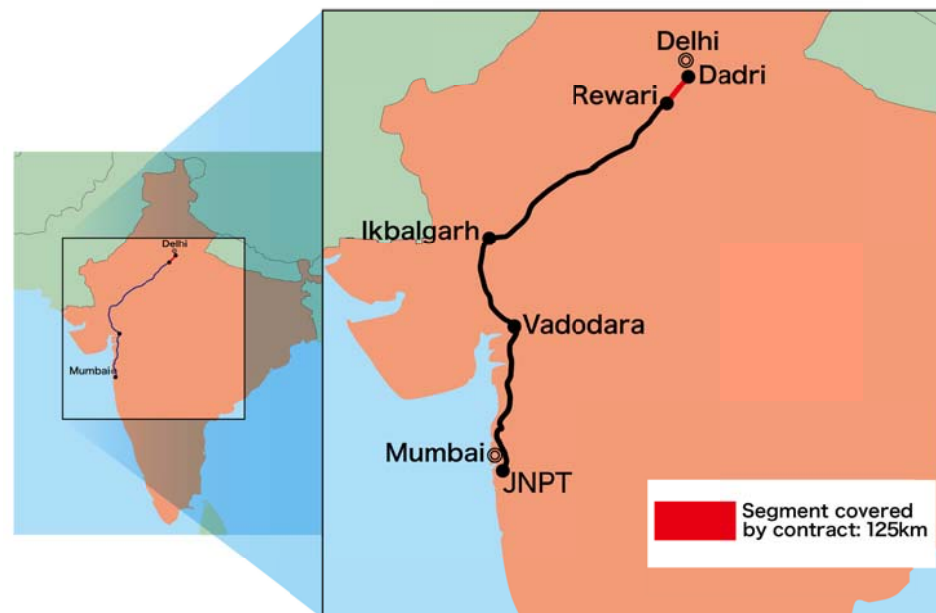
Sojitz Corporation (“Sojitz”), together with Indian company Larsen & Toubro Ltd. (“L&T”) has received an additional contract (JPY 64 billion) for civil/track works, electrification, signals, and telecommunications work on the Western Dedicated Freight Corridor (Western DFC). The contract comes from Dedicated Freight Corridor Corporation of India, the Indian government’s special purpose vehicle overseeing the project. This marks the last bidding on the Western DFC construction work, which is being developed using yen-based loans under the STEP* program (“Special Terms for Economic Partnership”). Combined with previously received engineering contracts, Sojitz’s total contractual amount now exceeds JPY 350 billion, the highest amount for yen-based ODA ever. Furthermore, this new contract brings the total length of construction up to approx. 1,500km total, making it the world’s longest railway infrastructure project undertaken by a private company.

As part of the 12th Five-Year Plan (covering April 2012 – March 2017), the Indian government set the focus of national development policy as “the promotion of public infrastructure essential to economic growth.” The Delhi-Mumbai Industrial Corridor Project (DMIC) is a comprehensive infrastructure initiative promoted jointly by the governments of India and Japan which forms the lynchpin of this policy. The Western DFC’s total 1,500km length connecting the capital Delhi with the business hub of Mumbai is likewise considered the core of the DMIC project.

Sojitz’s newest contract covers the full range of civil/track works, electrification, signals, and telecommunications work for a 125km stretch of track in Northern India between Dadri, Uttar Pradesh and Rewari, Haryana. Construction is planned to begin within the 2016 fiscal year. As primary contractor, Sojitz will coordinate construction together with L&T, who will be responsible for overall

planning, construction, and management, fully utilizing experience and knowhow acquired through work on other already completed sections of the track. At the same time, Sojitz will help procure Japanese-made rail through Sojitz Group affiliate Metal One, as well as transformers, signalling equipment, and overhead wires and other cables.

The Western DFC is positioned as a railway infrastructure project in line with the Japanese government's current policy of "exporting high-quality infrastructure." Sojitz will work in cooperation with related parties to complete construction of the Western DFC, while also considering not only further projects in the freight rail industry, but also passenger railway projects like the high-speed rail under development by the Japanese and Indian governments. In this way, Sojitz will continue striving to improve India's railway infrastructure.



Related Information:

[Larsen & Toubro Ltd. – Company Overview]

(Listed on the Bombay Stock Exchange and National Stock Exchange of India)

Head Office: Mumbai, India

Overview: Founded in 1938, L&T is India's largest general contracting and engineering company. They are developing a wide range of diverse businesses around the world, starting with their primary services: construction, electrification works, and engineering. They have a wealth of experience in constructing roads, railways, bridges, ports, airports, water treatment, buildings, and factories. Total sales: approx. JPY 1.6 trillion.

[Dedicated Freight Corridor Corporation of India Ltd. – Company Overview]

Head Office: Delhi, India

Overview: Public company established by the Indian Ministry of Railways in 2006 to construct, maintain, and manage dedicated freight railways in India.

- * Special Terms for Economic Partnership (STEP) refers to a yen-based loan system where the financing includes conditions requiring that a certain ratio of the materials procured for the project be made in Japan, in order to make full use of Japan's high-quality technology and knowhow, as well as encourage Japan to provide overt aid through technology transfer to emerging nations.

[Overview of Sojitz's Contracts for the Western DFC]

Project	Received	Description	Track Segment	Partner	Amount
Civil & Track Works Package 1&2	Jun. '13	Civil and track works and accompanying construction, construction of freight stations and bridges, etc.	Rewari, Haryana to Ikbargarh, Gujarat (626km)	L&T	JPY 111.7 billion

Electrification Works Package 4	Nov. '14	Construction of 16 traction substations, installation of overhead electric wires, etc.	Rewari, Haryana to Vadodara, Gujarat (915km)	L&T	JPY 51.4 billion
Electrification Works Package 16	Jan. '16	Construction of 7 traction substations, installation of overhead electric wires, etc.	Vadodara, Gujarat to Jawaharlal Nehru Port, Maharashtra (JNPT) (422km)	L&T	JPY 22.1 billion
Civil & Track Works Package 3R	Feb. '16	Civil and track works and accompanying construction, construction of freight stations and bridges, etc.	Ikbalgarh, Gujarat to Vadodara, Gujarat (289km)	L&T GP*	JPY 90.6 billion
Signal & Telecommunications Work Package 17	May '16	Traffic signals, signaling system, railway traffic control system, etc.	Vadodara, Gujarat to Jawaharlal Nehru Port, Maharashtra (JNPT) (422km)	L&T	JPY 11.7 billion
Civil/Track Works, Electrification, Signal, Telecommunications Work Package 14	Oct. '16	Civil and track works and accompanying construction, construction of freight stations and bridges; construction of 2 traction substations; installation of overhead electric wires; traffic signals, signaling system, railway traffic control system, etc.	Dadори, Uttar Pradesh to Rewari, Haryana (125km)	L&T	Approx. JPY 64 billion
Total					Approx. JPY 351.5 billion

[For questions regarding this release, contact:]

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