

January 31, 2017  
Sojitz Corporation

A Consortium of Sojitz Corporation, PT Pertamina (Persero), and Marubeni Corporation to Enter into Power Purchase Agreement for Jawa 1 Gas-Fired Project in Indonesia

On January 31st, 2017, PT Jawa Satu Power (“JSP”), a special-purpose company sponsored by Sojitz Corporation (“Sojitz”), PT Pertamina (Persero) (“Pertamina”), and Marubeni Corporation (“Marubeni”), entered into a long-term power purchase agreement (“PPA”) with Indonesian state-owned electricity utility PT PLN (Persero) (“PLN”) for the Jawa-1 gas-fired power plant project. The project calls for Sojitz, Pertamina, and Marubeni to construct, own, and operate a gas-fired power plant with a generating capacity of 1,760MW and floating storage and regasification unit (“FSRU”).

Tendered by PLN in 2016, this project is Indonesia’s first integrated power project encompassing construction and operation of both a large-scale gas-fired power plant and an FSRU. Commercial operation of the plant is scheduled to begin in 2021, once JSP concludes other relevant agreements aside from the PPA, procures financing for the Project, and completes the construction of necessary infrastructure. Thereafter, the electricity generated by the project will be supplied to PLN over a 25-year period, based on the PPA.

As the country continues to undergo rapid economic growth, the government of Indonesia has launched a program to meet growing demand for electricity by increasing the country’s total power capacity by approximately 35,000MW by 2019. This requires more overseas companies be involved in developing IPP projects. Sojitz, Pertamina, and Marubeni aim to contribute to the economic growth of the country through development of this project, reaching its financial close and achieving commercial operation of the plant in a timely manner.

Sojitz has developed a strong and long-standing relationship with Pertamina over nearly 40 years, starting with Sojitz's involvement in the Bontang LNG project and Arun LNG project in the 1970s. Bontang was the first LNG production terminal in Indonesia, in which Sojitz assisted by performing feasibility studies, procuring financing, and entering into a long-term LNG sales contract with Japanese customers. In addition to the development of the two projects, Sojitz also contributed to other LNG-related business with Pertamina in Indonesia.

Sojitz will continue to contribute to Indonesia's industrial development and economic growth by developing IPP projects in the country, utilizing Sojitz's experience investing in many large-scale gas-fired IPP projects in the Middle East and Asia.

#### <Outline of Jawa 1 Gas-Fired IPP Project>

- Project Company : PT Jawa Satu Power
- Ownership : Pertamina 40%, Marubeni 40%, Sojitz 20%
- Project Site : Cilamaya, West Java province, Java island, Republic of Indonesia
- Generating Capacity : 1,760 MW
- Project Cost : About US\$ 1.8 billion
- Off-taker : PT PLN (Persero)
- Contract Period : 25 years

#### <Outline of Consortium Members>

##### **PT Pertamina (Persero)**

- Establishment : 1957
- Representative : Dwi Soetjipto (President & CEO)
- Headquarters : Indonesia
- Business outline : Energy Business

## Marubeni Corporation

- Establishment : 1949
- Representative : Fumiya Kokubu (President & CEO)
- Headquarters : Japan
- Business outline : General Trading Company

[For questions regarding this release, contact:]

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