

April 10<sup>th</sup>, 2020

Sojitz Corporation  
Sojitz Corporation of America

Sojitz Group and JOIN Have Acquired a 100% Ownership Interest  
in a Rail MRO Company in North America

Sojitz Corporation and Sojitz Corporation of America (member companies of “Sojitz Group”), together with Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (“JOIN”) have acquired a 100% ownership interest in Cad Railway Industries Limited (“CadRI”), a Canadian company that operates in the rolling stock MRO\*1 sector and is headquartered in Montreal. Sojitz Group had acquired a roughly 41% ownership of CadRI in 2015\*2.

\*1 MRO: Maintenance, Repair and Overhaul / Remanufacturing services for rolling stocks

\*2 Ref. our press release dated on December 4<sup>th</sup>, 2015

CadRI’s customers mainly consist of major North American freight railroads, locomotive and freight wagon leasing companies, and North American state-owned transit authorities. What differentiates CadRI from its competitors is its ability to provide MRO services to a wide range of locomotives, freight wagons and passenger cars of various uses and specifications, with customers across North America.

In 2017, CadRI acquired Caltrax Inc., a Canadian reputable freight wagon MRO company located in Calgary, Alberta. In the passenger car sector, CadRI obtained a contract for the overhaul of passenger coaches from the U.S. transit agency in 2019. CadRI continues to pursue its growth in both Canada and the U.S. market.

Per unit transported, trains emit roughly one-eleventh of the carbon dioxide that automobiles do and can transport mass quantities in bulk. These lower emissions have led experts to predict sustained growth in rail-based infrastructure markets around the world, including but not limited to North America, the world’s longest railway network and largest transport volume market.

Sojitz Group has approximately a half-century of experience selling rolling stock and related equipment in North America. Utilizing its market network and

knowhow, Sojitz Group aims to focus more on rolling stock services in the North American rail industry.

Besides, Sojitz Group has been conducting business activities in trading and investment in various industry segments in North America; such as automotive business in California, power generation business in Pennsylvania and Connecticut, and chemical products business in Texas.

JOIN aims to assist CadRI's growth strategies by enhancing its collaboration with Japanese railway operators and equipment manufacturers and expand its investments in the North American railway sector. This is the third project on which Sojitz Group and JOIN have worked together, following Palau International Airport and Khabarovsk International Airport.

Headquartered in Montreal, CadRI has been promoting job creation and R&D activities through rolling stock MRO activities since its inception. Following this transaction, together with Sojitz Group, the Quebec-based company will act as the Canadian decision center and will actively seek out growth opportunities with the aim of becoming a leading company in the North American rolling stock MRO sector.

Moving forward, Sojitz Group will continue to develop its overseas transportation infrastructure business of operations and maintenance in the rail and airport sectors, and seek to contribute to sustainable growth in regional economies and societies.

[Related Information]

[Company Overview – Cad Railway Industries Limited]

Established	1968
Headquarters	Montreal, Quebec, Canada
Main Business	MRO service business for rolling stock and aftersales parts distribution

[For questions regarding this press release, contact:]

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