



News Release

JA Mitsui Leasing Makes Mitsui Rail Capital, MRC, a North American Railcar Leasing Company, into Consolidated Subsidiary.

Tokyo, January 26, 2023 – JA Mitsui Leasing Ltd. (headquarters: Chuo-ku, Tokyo; Keito Shimbu, President & CEO; hereinafter “JAML”) announces that it has decided to reorganize Mitsui Rail Capital, LLC (Hereinafter “MRC”), a joint venture with Mitsui & Co., Ltd. (herein after “Mitsui”), into a consolidated subsidiary as detailed below.

1. Background and Purpose of the Reorganization into Consolidated Subsidiary

The rail transportation industry in North America is an essential part of the freight logistics infrastructure supporting the North American economy. Freight shipments by rail are highly competitive for mid to long distance bulk transportation while truck freight transportation is more competitive on short to mid distance freight transportation. However, total North American freight volumes, including both truck and rail are expected to continue to grow steadily in the future. Furthermore, in recent years, rail freight transportation’s environmental benefits are receiving more attention and encouraging additional growth compared to the other freight transportation modes such as truck. Robust demand from the volume increases in rail freight shipments will positively affect the North American railcar leasing business.

Since JAML entered into a joint venture operation with Mitsui in the MRC business in 2015, MRC has built a diversified freight railcar portfolio that supports a broad range of industries including energy, food products, manufacturing, construction and others. MRC’s customer focus and dedicated service are well recognized in the railcar leasing market and provide a competitive advantage that gives them a strong position in the North American market.

The railcar operating leasing business fits well with JAML’s mid-term management plan and directly addresses our goals of “Global business expansion in North America” and, “transforming our business model in more specialized fields”. In addition, the environmental-friendly footprint of rail freight transportation fits well with JAML’s sustainable development goals. JAML’s well established knowledge and skills in a broad range of financial services, including the operating lease business, will support MRC’s next stage of growth. Based on these strategic benefits, JAML & Mitsui have mutually agreed to consolidate MRC into JAML. JAML MRC Holdings, JAML’s consolidated subsidiary, will acquire all of Mitsui’s interest in MRC to make MRC a consolidated subsidiary of JAML.

JAML will make additional investments in capital and human resources to support the MRC business, expand its fleet size, and further improve its railcar portfolio so they can continue their growth in the North American railcar leasing market.



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2. Company Overview - Mitsui Rail Capital, LLC

Company Name	Mitsui Rail Capital, LLC (a limited liability company registered in the state of Delaware, U.S.A.)
Office Location	Chicago, Illinois, U.S.A.
Established	1996
President	Kevin Cook
Business	Freight railcar operating leasing business in North America
Fleet size	Approx. 9,000 cars
URL	https://www.mrc-rail.com/

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