

28th November 2017
Mizuho Bank, Ltd.

Project Financing for the Nacala Corridor Railway and Port Project
in the Republic of Mozambique

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara, hereinafter “MHBK”) has successfully signed financing agreements on 27th November 2017 alongside Japan Bank for International Cooperation, African Development Bank and other nine private financial institutions for project finance loans totalling US\$ 2.73 billion to be provided to the four project companies established in Mozambique and Malawi by Vale S.A. and Mitsui & Co, Ltd. for the Nacala Corridor project (hereinafter the “Project”).

The Project connects the Moatize coal mine developed by Vale S.A. and Mitsui & Co, Ltd. in the northern Mozambican province of Tete to the port of Nacala through a part of Malawi and will enable rail and ship transport of produced coal up to a volume of 18 million ton per annum. Loans provided by commercial banks will be covered by insurances provided by Nippon Export and Investment Insurance and Export Credit Insurance Corporation of South Africa.

MHBK will perform the roles of Global Facility Agent which represents the lending group and an Offshore Account Bank for the Project. For the role of the Offshore Account Bank, MHBK will be responsible for fund settlement for the four project companies established in Mozambique and Malawi and will closely cooperate with the Onshore Account Bank, Standard Bank of South Africa, with which MHBK signed a memorandum of understanding in 2012.

The Project is expected to contribute to an improvement of the land and ship transport in the sub-Saharan Africa region and the regional economic growth of the sub-Saharan Africa including Mozambique which has abundant natural resources. The Government of Japan announced in 2014, its plan to provide approximately 70 billion Japanese yen of Official Development Assistance with a focus on the comprehensive development in the Nacala Corridor region over the five years. In this context, this Project is expected to contribute to the further development of relationship between the two countries of Mozambique and Japan.

MHBK will continue supporting our clients' overseas businesses with highly advanced financial solutions and contribute to the economic growth of developing countries including the African region.

Overview of the Moatize Coal Mine

Ownership Percentage: 95% by Vale S.A. and Mitsui & Co, Ltd.
5% by EMEM, a state-owned mining company of Mozambique
Location: Tete province of northern Mozambique

Overview of the Nacala Corridor Project

Purpose: Transport of coal, general cargo and passengers

Facilities:

- (i) Rail Length of 912 km
 Transport Capacity 22 million ton per annum
- (ii) Coal Terminal Shipment Capacity of 18 million ton per annum

Ownership Percentage: c.50% by Vale S.A.
c.50% by Mitsui & Co, Ltd.