

## Additional Acquisition of a Full Service Water Utility in the Republic of Chile

Marubeni Corporation ("Marubeni"), through Aguas Nuevas S.A. ("AN"), which is co-invested with the Innovation Network Corporation of Japan ("INCJ"), agreed to acquire 100% of Aguas Chañar S.A. ("AC") jointly with an infrastructure fund established by Toesca S.A. Administradora General de Fondos ("Toesca"). AN and Toesca will each hold 50% of AC respectively.

AC provides water and sewage services to a total population of 300,000 in 10 cities within Chile's Region 3. This region is a mixture of mining, agricultural and residential areas, while most of the land is covered by desert. This geographical factor leads to the serious problem of water shortages, therefore, it is essential to urgently cope with the water shortages through the improvement of the water operations and the reduction of non-revenue water (\*).

AN, the third largest water utility in Chile in terms of the number of customers, has three water service companies; Aguas del Altiplano operating in Region 1 and 15, Aguas Araucania operating in Region 9, and Aguas Magallanes operating in Region 12. They provide water and sewage services to a total population of 1,360,000 in 48 cities within 4 Regions. Once AC is acquired, the total number of customers serviced by the AN group of companies will reach 1,660,000, equivalent to approximately 10% of the total population in Chile.

Marubeni acquired 100% of Aguas Decima in 2006 and a 50% stake in AN in 2010. As the first Japanese company to participate in the water and sewage services market in Chile, Marubeni has accumulated extensive knowledge on water and sewage business management. Marubeni will contribute to improving the operations of AC by making the most of its accumulated expertise. And by utilizing the specialized engineering services (asset management system) of the water and sewage facilities of AGS (\*\*), a Portuguese water service company jointly acquired with INCJ in 2014, Marubeni will contribute to reducing the non-revenue water of AC and promote the effective utilization of water resources.

In Chile, Marubeni operates such infrastructure businesses as water and sewage services and solar power generation, as well as being involved in copper mine development. With this acquisition, Marubeni will promote further business development as one of the major infrastructure players in Chile.

Also, Marubeni will fulfill its social responsibility by providing safe water and public health services to the people of Chile through AN, and will pursue the expansion of water related business around the world by utilizing the knowledge accumulated in the Chilean water market.

(\*) Non-revenue water: Amount of water that does not appear in revenue due to water leakage and water theft in the water distribution network.

(\*\*) AGS - Administração e Gestão de Sistemas de Salubridade, S.A.

# Marubeni

## 【Aguas Chañar S.A.】

Established	2003
Headquarters	Republic of Chile, Region 3 (Atacama Region)
Business description	Water service business for 10 cities in the Region 3

## 【Aguas Nuevas S.A.】

Established	2004
Headquarters	Republic of Chile, Santiago Metropolitan Region
Major Shareholders	Marubeni Corporation : 50% INCJ – Innovation Network Corporation of Japan : 50%
Business description	Investment company in water business. Holds functions of management to its affiliates and new business development.

## 【Toesca S.A. Administradora General de Fondos】

Established	2016
Headquarters	Republic of Chile, Santiago Metropolitan Region
Business description	Asset management (asset size: over US\$ 800 million)

## 【Location】

