

## JFE Engineering Awarded Order for JAPEX Soma-Iwanuma Pipeline Project

JFE Engineering Corporation (Head Office: Chiyoda-ku, Tokyo; President and CEO: Hisanori Kanou) announced today that the company has been awarded an order for the construction of a gas pipeline connecting Soma City and Iwanuma City (hereinafter, "Soma-Iwanuma Pipeline") from the Japan Petroleum Exploration Co., Ltd. (hereafter, "JAPEX"; Head Office: Chiyoda-ku, Tokyo; President and CEO: Osamu Watanabe).

JAPEX's decision to construct the new gas pipeline comes as part of the Soma LNG Terminal project, which is currently under construction at Shinchi Town, Soma City in Fukushima Prefecture. The pipeline, which will span a total length of approximately 40km from the Soma LNG Terminal, will connect with JAPEX's existing Niigata-Sendai Pipeline at the Iwanuma Valve Station in Iwanuma City, Miyagi Prefecture. JFE Engineering was awarded the construction of approximately 33km on the Miyagi Prefecture side.

The Soma-Iwanuma Pipeline will play the role of supplying LNG gas vaporized at the Soma LNG Terminal to the Niigata-Sendai Pipeline. Not only will its completion allow JAPEX to respond to increased demand for natural gas in the Tohoku region's Pacific coast, but is also expected to further ensure the stability of JAPEX's domestic natural gas supply network and its security in emergencies.

Since this project will be carried out concurrently with the reconstruction of the Tohoku disaster area devastated by the 2011 Great East Japan Earthquake, coordination with other projects and the procurement of materials and equipment are expected to be a major obstacle. To ensure that construction is completed on schedule, JFE proposed the "JFE-RAPID" construction method for the crossing of the Abukuma River, which crossed the pipeline route and was a likely cause for delays. "JFE-RAPID" is a trenchless piping method which can drive long sections of pipe under obstacles without constructing access pits, thus greatly reducing construction time. Our proposal was highly praised during evaluation, leading to the award of the order.

To further secure the stable supply of natural gas, the gas-related industries' demand for the construction and maintenance of interconnecting pipeline networks is expected to grow. JFE Engineering will strive to meet and exceed our customers' expectations, both at home and abroad, with our extensive portfolio of cutting-edge technologies, wealth of experience, and an outstanding record of successful pipeline projects.