-News Release-

June 4th, 2015 Japan Asia Group Limited

Proprietary technology helping consumers select most suitable power supplier

Kokusai Kogyo Co., Ltd., a subsidiary of leading solar and *green community* developer Japan Asia Group (JAG), jointly with Yamaman Co., Ltd. has launched a new service that helps customers, in this case residents of Yukarigaoka¹ with home energy management systems (HEMS)², find the cheapest and/or most suitable electricity supplier for their needs. This service was launched in June 2015 and comes as Japan is readying itself for deregulation of the electricity supply market. Proprietary technology of Kokusai Kogyo (patent no. 5717113), the service utilizes the actual energy consumption data obtained by the HEMS to pinpoint which power utility will provide the optimal service. While other companies provide similar services, so far, it seems, these are only based on monitoring via interview surveys.

Yukarigaoka developer, Yamaman, with the help of Kokusai Kogyo, is now providing its customers, who purchased houses with HEMS at Yukarigaoka (since 2011), with detailed diagnostic results about which electricity utility plan will be most economical for their circumstances, based on their actual energy usage data obtained via the HEMS. This after-sales support service is one way Yamaman is striving to maximize the effectiveness of its home energy management systems.

In April 2016, Japan will deregulate retail of electricity to households and small-scale business operators, a 7.5 trillion yen (approximately US 61 billion dollar) market. Opening up of this market—which when combined with the already liberalized retail electricity market to large-scale users, equates to a market of over 20 trillion yen—to new entrants is expected to lead to severe competition for customers. This is also expected to further increase competition in the large-scale user electricity retail market and the renewable energy generation market.

¹ Yukarigaoka

² Home Energy Management Systems

Large-scale property development in Sakura City, Chiba (greater Tokyo), started in 1971 by Yamaman Co., Ltd. The total development area is 245 ha (planned population roughly 30,000). The development aim was for a new style of urban space that is both at one with nature and equipped with the latest urban-living conveniences and amenities. Around Yukarigaoka Station has been developed to comprise mostly high-rise residential and commercial buildings, while within 10 minutes' walk of each of the stations along the Yukarigaoka Line, which was developed by Yamaman, is mostly residential homes (population: 17,939, number of households: 7,173, as of April 2015).

Home appliances and other electric facilities along with various sensors are all networked in a system that allows visualization of energy consumption as well as control over household appliances.

At Japan Asia Group, and Kokusai Kogyo in particular, we are investing significant effort to strengthen our range of renewable energy, energy saving, and electricity retail market-focused services and solutions to ensure we can make the most of the opportunity presented by this market liberalization. Of course, one aspect of this effort will be investigating how best to expand this initiative at Yurigaoka—based on actual field trials over the next two months—to the wider market.

Details of our service for finding the optimal electric utility service plan:

- Launched in June 2015
- Obtained patent March 2015
- Selects cheapest of all available electricity supply plans by modeling annual electricity usage using a short period of electricity usage data
- Evaluates effectiveness of energy saving, generation and storage devices such as solar PV systems and storage batteries
- Business-to-business service such as for residential housing developers and new entrants into retail electricity market
- Service tailored to local governments



Flow of the service we provide to Yukarigaoka customers with a HEMS:

%Kokusai Kogyo also offers this service to customers without a home energy management system by leasing out the necessary measuring devices.

<< About Kokusai Kogyo Co., Ltd.>> http://www.kkc.co.jp/english/

- < Company Name > Kokusai Kogyo Co., Ltd.
- < Head Office > 2 Rokubancho, Chiyoda-ku, Tokyo, Japan
- < Capital > 16,729 million yen
- < Businesses > geospatial information consulting (geospatial information technology service, construction consulting services), RE (Renewable Energy)-related business, disaster prevention-related business, environmental preservation-related business, marketing and location

based service and more.

JAPAN ASIA GROUP

<< About Japan Asia Group Limited >> http://www.japanasiagroup.jp/english/

At Japan Asia Group we are forging a solid future for Japan and the world by building *green communities* that are at one with nature and loved by residents. We are pursuing aggressive growth in Japan, Asia and the world through close cooperation and mutual support amongst our three technical divisions and our financial services division, through which we can provide the capital for industrial and social development. Geospatial Information Consulting, the first of these technical divisions, is for the development of geospatial data and the formation and use of integrated databases (GIS) as a new form of social infrastructure to support lifestyles and economic activity. Second, its Green Property division promotes the development of low-carbon eco towns that are resilient to disasters, and aims to increase property values while also increasing environmental value. The third technical driver of growth is its Green Energy division, where it has the capacity to take on entire renewable energy (mostly solar PV) projects right from planning, due diligence and financing through to construction, operation and maintenance.

< Company Name > Japan Asia Group Limited < Stock Listing> 1st section of Tokyo Stock Exchange (code: 3751) < Head Office > 2 Rokubancho, Chiyoda-ku, Tokyo, Japan < Capital > 3,994 million yen < Employees > 2,947 (consolidated, as of the end of March, 2014) < Group Companies > 79 (as of the end of March, 2014)

<< About Yamaman Company Limited>> http://www.yamaman.co.jp/

- < Company Name > Yamaman Company Limited
- < Head Office > 1-Rokuban, Koamicho, Nihonbashi, Chuo-ku, Tokyo, Japan
- < Capital> 3 billion yen
- < Business type> Real estate developer

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