

—News Release—

25th of March 2013
Japan Asia Group Limited

Project financing secured for 5 JAG solar plants in Hokkaido

Japan Asia Group (JAG)¹, a leading solar and green community developer, both in Japan and overseas, has secured project financing for five solar photovoltaic power plants, estimated total generation capacity of 5.5 megawatts, which are to be developed by group company JAG Energy in eastern Hokkaido, the northernmost island in Japan. The project financing, approximately 1.6 billion yen for construction costs, is being arranged by the Shinsei Bank Ltd.² Mitsubishi UFJ Lease & Finance Group³ will also provide part of this financing.

JAG Energy started constructing the five solar power plants, in Kushiro and Tokachi districts of Hokkaido, in September 2012 and they will start coming on line from March 2013. Once fully operational, all of the generated electricity will be purchased by the Hokkaido Electric Power Company at a contracted fixed price for a set period of 20 years under the Act on Special Measures Concerning Procurement of Renewable Energy Sourced Electricity by Electric Utilities (the law which introduced Japan's feed-in tariff system and came into effect in July 2012).

Japan Asia Group has extensive experience developing and operating large-scale solar photovoltaic (PV) power plants, starting in Europe with 24 plants in four countries, and the Miyazaki SolarWay in Tsuno Town, Miyazaki Prefecture, Japan. The five solar plants to be constructed by JAG Energy in Kushiro and Tokachi districts have been judged by Shinsei Bank to be of sufficient economic feasibility based on several factors including that this area of Hokkaido has relatively long sunlight hours and has low snowfall.

Until now financing of large solar PV projects has been mostly in the form of corporate loans. In this case however, the financing repayment capital comes entirely from project cash flow. This ground-breaking scheme was made possible not only because this solar project was so highly evaluated, but also based on the Japan Asia Group's track record in solar development since its start in 2009, and its technical capacity to provide a one-stop solar PV development service right from project due diligence and financing to operation and maintenance support long after construction is over.

JAG will continue to develop solar photovoltaic power plants that are suited to the particular needs and characteristics of each locality using its extensive expertise and technological capacity to meet the current feed-in tariff induced surge in demand.

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² President and chief executive officer, Shigeki Toma; Head office, Tokyo

³ President and chief executive officer, Tadashi Shiraishi; Head office, Tokyo

■ Project details

Name	Hokkaido Mega Solar Project
Location	Eastern Hokkaido (Kushiro, Tokachi districts)
No. of plants	5
Output	5.5 MW
Project duration	20 years
Developer	JAG Hokkaido Solar Development Joint Venture
Sponsor	JAG Energy Co., Ltd.
Operational	March 2013

■ Financing contract details

Lenders	Shinsei Bank (arranger), Mitsubishi UFJ Lease
Loan amount	1.6 billion yen
Loan start date	14 March 2013

■ JAG Energy Co., Ltd.

Name	JAG Energy Co., Ltd.
Chief Executive Officer	Yasuhisa Kimura
Head office	2 Rokubancho, Chiyoda-ku, Tokyo, Japan
Industry	Consulting, development and operation of renewable energy power plants
Founding	March 2012
Capital	85 million yen
Stock	100% owned by Japan Asia Group Limited

About Japan Asia Group

Japan Asia Group aims to achieve a new paradigm in environmentally- and people-friendly urban development, namely *green communities*.

JAG is pursuing aggressive growth in Japan, Asia and the world through close cooperation and mutual support amongst its three technical divisions and its financial services division, through which it 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 (most solar PV) projects right from planning, due diligence and financing through to construction, operation and maintenance.

Name	Japan Asia Group Limited
Stock listing	TSE (Tokyo Stock Exchange) Mothers Index: 3751
Capital	3.8 billion yen
Employees	2,754 (consolidated, as of April 2012)
Group companies	69 (as of April 2012)
Established	March 1988
Head office	2 Rokubancho, Chiyoda-ku, Tokyo, Japan 102-0085