

-News Release-

March 23, 2011

Tsuno SolarWay:
Second Stage is Completed
-A giant step toward becoming a solar hub-

The Kokusai Kogyo Group (Kokusai Kogyo Holdings Co., Ltd.; Head Office: Chiyoda-ku, Tokyo, a leader in green infrastructure, the Kokusai Kogyo Group (Kokusai Kogyo Holdings Co., Ltd.; Head office: Chiyoda ward, Tokyo, Japan; President and Chief Executive Officer: Sandra Wu, Wen-Hsiu), recently completed the second stage of its Tsuno SolarWay. This large-scale solar power plant is comprised of 12,520 photovoltaic panels and has a unique layout that gives new life to 3.6 kilometers of a former maglev train testing track on Japan's southern island of Kyushu.



Photo 1: The second stage of Tsuno SolarWay built on a former maglev test track in southern Japan



Photo 2: This time around construction methods and efficiency could be improved thanks to the trial results of the first stage.

The new development is part of the Miyazaki Solar Frontier Vision and was launched with the signing of a three-way partnership agreement for a large-scale solar project in April 2009 between Miyazaki Prefecture, Tsuno Town, and the Kokusai Kogyo Group. The Kokusai Kogyo Group broke ground on the second stage of the Tsuno SolarWay in September 2010, basing its construction on the results of panel and operation trials conducted in the first stage. It started generating electricity after the end of construction in February 2011. Full operation of the station marks a milestone in realizing the core aim of the Miyazaki Solar Frontier Vision promulgated by Miyazaki Prefecture: *Becoming a solar hub – with local manufacturing, generation and consumption.*

Kokusai Kogyo Co., Ltd. (Head Office: Chiyoda-ku, Tokyo, Japan; President: Osamu Nakahara), a core company of the Kokusai Kogyo Group, is also an active contributor to Tsuno Town's development plan, providing environmental education opportunities and supporting the local utilization of the electricity through, for example, issuance of green power certificates that represent the environmental value of the renewable energy generated, with the end goal of stimulating the local economy.

The second stage of the Tsuno SolarWay offers benefits not just as an electricity provider, but also as a tourism resource and as a venue for educating the public about the environment and energy. It serves as a cornerstone to the development of future-oriented communities powered by

renewable energy, opening the door to a new era.

The Kokusai Kogyo Group has also been operating the first stage of the Tsuno SolarWay as a 50-kW demonstration facility since April 2010. Through the project the Group has acquired an extensive array of systems integration know-how in developing high-performance solar power generation systems—including experience in a unique site environment, as demonstrated through its construction of a large-scale solar power facility on a long and narrow stretch of the Miyazaki maglev test track; preventing the effects of salt and moisture from the nearby ocean; design and construction methods to safely and efficiently perform work in high places; development of mounts made from high-strength wind- and corrosion-resistant materials; and the know-how for selecting the right photovoltaic modules to use based on comprehensive review of site conditions, module efficiencies, and other factors.

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Reference

Overview of Kokusai Kogyo Group

The Kokusai Kogyo Group has been involved in developing social infrastructure in Japan and overseas ever since its founding. As the world enters a new era whereby infrastructure is required to meet strict environmental and energy demands, we are committed to helping meet those demands through our Green Infrastructure Business, which brings together the very best of our spatial, human and environmental expertise.

The Kokusai Kogyo Group is now pooling its vast group resources and expertise—from geospatial consulting and advanced monitoring, analysis and evaluation using geographic information systems, to urban planning and supporting the uptake of renewable energies—in an effort to create better urban environments based on a new people and environment focused paradigm.

- Company Name: Kokusai Kogyo Holdings Co., Ltd. (holding company)
- Stock Listing: First Section of the Tokyo Stock Exchange (Code: 9234)
- Head Office: 2 Rokubancho, Chiyoda-ku, Tokyo, 102-0085, Japan
- Capital: 16.939 billion yen
- President: Sandra Wu, Wen-Hsiu
- Number of Employees: 2,034 (consolidated)
- Number of subsidiaries: 24 in Japan, 43 overseas

Overview of the Kokusai Kogyo Group Solar Power Generation Business

To date, the Kokusai Kogyo Group has developed, installed, and is operating numerous large-scale solar power plants in 24 locations across four European countries (Germany, Spain, Italy and the Czech Republic), with a total power generation capacity of 56.4 megawatts.

As a pioneering mega-solar power generator in Europe under the umbrella of the Kokusai Kogyo Group, the GEOSOL Group (Head Office: Germany) develops power plants and provides operational expertise.

Capitalizing on the technical know-how and financial expertise it has accumulated from executing development projects, such as the ability to offer a wide variety of financing options and provide operation management that keeps running costs low, the Kokusai Kogyo Group is aiming for global expansion of its large-scale solar power generation business. The Group intends to expand its business in Europe and Japan, and from there to also enter the Asian market. The Group also plans to expand its business scope by developing new products such as those suited to large-scale parking lots and industrial rooftops.