

For Reference Only

September 29, 2017

**Conclusion of Shareholders Agreement on Power Generation Joint Business Utilizing  
“Compensation Program for Promoting Enterprises’ Investment in Cutting-Edge Facilities Using Lease Methods”**

Tokyo Century Corporation (“Tokyo Century”) is pleased to announce that the company has decided to invest in the construction and operation of a power generation plant using biomass which is to be constructed in the grounds of Tokuyama Factory, jointly with Tokuyama Corporation (“Tokuyama”) and Marubeni Corporation, and concluded a shareholders agreement with them in relation to the joint business.

This joint business scheme utilizes operating lease in the application of “Compensation program for promoting enterprises’ investment in cutting-edge facilities using lease methods” conducted by the Ministry of Economy, Trade and Industry from fiscal 2014 through 2015. Contract value of this leasing case which is applied to power generation plant using biomass fuel, is approximately ¥65.5 billion, the largest amount among the number of the support contract concluded. After the parties concerned of this joint business agreed on leveraging operating lease in consideration of financial aspects in making a large investment in the cutting-edge facility, Tokyo Century applied for the forementioned program and the business scheme was certified.

Construction of the power plant will commence to be ready to start operation in April 2022 in consideration of the plant as an in-house power generation facility to supply the generated electricity to Tokuyama Factory in the future. An environmental impact assessment on the power plant has already been completed. It is expected to generate approximately 300MWh annually and supply steam as well. Moreover, we are aiming at environmentally sound operation of the power plant by fueling wood pellets primarily white pellets importing from Asia, North America and other countries.

Tokyo Century will take initiative on the energy business leveraging an environmentally sound baseload electricity source, in addition to the renewable energy business primarily solar power generation business, by contributing to the daily lives of people and development of economic activities in Japan including sustainable development of the society through stable energy supply.

**<Outline of Tokuyama Corporation>**

Head Office: Shunan City, Yamaguchi Prefecture  
Company Representative: Hiroshi Yokota, President  
Founded: February 1918  
Business: Manufacture and sale of chemicals, specialty products, cement and other products.

**<Outline of Marubeni Corporation>**

Head Office: Chuo-ku, Tokyo  
Company Representative: Fumiya Kokubu, President and CEO  
Founded: December 1949  
Business: General trading firm

###

**Contact Information:**

Tokyo Century Corporation  
Investor Relations Division  
Keisuke Yamashita  
Inquiry: <https://www.tokyocentury.co.jp/en/contact/form.php>  
Phone: +81-(0)3-5209-6710

(Note) This translation is prepared and provided for reference only. In the event of any discrepancy between this translated document and the original Japanese document, the original document shall prevail.