

For Reference Only

September 10, 2018

Issuance of Tokyo Century Green Bond

Tokyo Century Corporation (“Tokyo Century”) announced today that the company has decided to issue an unsecured green bond in public offering as outlined below.

Green bonds refer to bonds issued by companies, local governments, or other organizations to raise funds for green projects that aim to resolve environmental issues, including projects for: renewable energy; construction and refurbishment of energy efficient buildings; pollution prevention and control; and others.

Tokyo Century will issue a green bond to allocate for leasing solar power generation facilities for its subsidiary, Kyocera TCL Solar LLC (Kyocera TCL Solar). The Tokyo Century Green Bond has been assigned GA1 (preliminary), the highest rating by Rating and Investment Information, Inc. (R&I) as a result of the R&I Green Bond Assessment^{*1} as an external review. R&I also provided a second opinion that the green bond framework is aligned with the Green Bond Principles (GBP) 2018 and Green Bond Guidelines 2017. This is R&I’s first second opinion since it started providing its second opinion in September 2018, apart from the current five-scale rating assignment to green bonds. The expenses for the external review is eligible for the Financial Support Programme for Green Bond Issuance (Subsidy Project)^{*2} undertaken by the Ministry of the Environment.

Under the management philosophy, Tokyo Century Group will work alongside customers in pursuit of their growth as a highly specialized and unique financial services company, and will contribute to the creation of an environmentally-sound, sustainable economy and society. The company has been accelerating its initiatives of high social significance, including greenhouse gas reduction, energy self-sufficiency improvements and others. Kyocera TCL Solar has been operating and managing solar power plants in 67 sites across Japan with approximately 258.1 MW^{*3} of total output since the company was established in August 2012. Tokyo Century is committed to take initiatives on global environment conservation and renewable energy to realize an environmentally-sound, sustainable economy and society while promoting to diversify financing method through this green bond issuance.

The Outline of Tokyo Century Green Bond

Maturity	5 years
Issue amount	¥10,000 million (scheduled)
Issue date	October 2018 (scheduled)
Underwriters	Mizuho Securities Co., Ltd. (Structuring Agent) Nomura Securities Co., Ltd.

*1 R&I Green Bond Assessment: R&I conducts evaluation regarding the extent to which the proceeds from green bonds are used to invest in projects with environmental benefits, based on the evaluation criteria included in the GBP. In R&I Green Bond Assessment, it assigns the evaluation results in five-scale rating and monitors the bonds until they are redeemed. R&I may provide a second opinion in addition. Second opinion is aimed to assess if a green bond framework established by an issuer or related entities is in conformity to the GBP and others.

*2 Subsidies will be provided for the expenses that are required by registered issuance supporters those who support companies, municipalities and other bodies who seek to issue green bonds, in the form of granting external reviews, consultation on establishing a green bond framework and others. Subsidies will be provided to the green bonds those utilize the entire proceeds from the issuance of green bonds to invest in green projects and meet all the following requirements at the time of issuance.

(1) A Green Project that meets one of the following criteria at the time of issuance:

a) Contributes mainly to domestic decarbonization (renewable energy, energy efficiency and others)

- Projects for which roughly half of the procured amount or about half of the number of projects is domestic decarbonization-related project

b) Has high decarbonization and effects on vitalization of local economy

- Decarbonization effects: Those whose subsidy amount per ton of domestic CO₂ reduction is less than the specified amount

- Effects on vitalization of local economy: Projects that are expected to contribute to effects on vitalization of local economy as part of the ordinance and plan and others decided by the municipality, projects for which investment by municipalities can be anticipated and others

(2) A green bond framework is reviewed by external organization before issuance that it is in conformity to the Green Bond Guidelines

(3) It shall not fall under "green wash bond"

*3 Total output of the plants in operation as of August 31, 2018

#

Contact Information:

Tokyo Century Corporation

Investor Relations Division

Keisuke Yamashita

Inquiry: <https://www.tokyocentury.co.jp/en/contact/form.php>

Phone: +81-3-5209-6710

(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.