

# CSR Report

DBJ provides integrated investment and loan services to resolve the issues its clients face and continues to support the ongoing growth of society from a financial perspective.

At DBJ, corporate social responsibility involves not only contributing to society through investment, loan and other business, but also seriously taking into account societal needs and living up to responsibilities as a member of society. This requires all DBJ executives and regular employees to conduct their daily activities with constant consideration of society, the environment and the economy. We believe our efforts will build DBJ into a financial institution trusted, favored and chosen by the public.

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## Editorial Policy

To expand communication with all stakeholders, in 2003, DBJ first issued *Environmental Report 2003 for a Sustainable Society*. This was followed by annual sustainability reports in 2004 and 2005. In 2006, DBJ published the *CSR Report*. Since the fiscal year ended March 31, 2007, DBJ has combined its annual report and CSR report under the concept of "disclosure from a CSR perspective." DBJ will continue publishing CSR information introducing its initiatives to help realize a sustainable society.

As in previous years, this report explains how DBJ came into being, as well as the services DBJ provides. The report aims to show that DBJ fulfills its corporate social responsibility through the careful attention it accords to each of its activities, incorporating this discussion of the status of its recent activities. Furthermore, we have employed the following guidelines in our effort to enhance the report's readability.

- We explain DBJ's stance on CSR as a way of addressing the problems society faces.
- To give the reader a clear sense of how DBJ's services relate to society, the report provides case studies of DBJ's ongoing emphasis on CSR through investment, loan and other businesses it conducts.

DBJ considers this report an important tool for communicating with all manner of stakeholders and hopes to continue improving it. Accordingly, we welcome your comments and suggestions.

## Scope of Report

**Organizations covered:** All DBJ branches, including overseas representative offices and subsidiaries, except where noted.

Japan: Head office, 10 branch offices and eight representative offices

Overseas: One overseas representative office

**Period covered:** The fiscal year from April 1, 2010, to March 31, 2011

As this report is designed to illustrate ongoing initiatives, some of the case studies for investment, loan and other business contained herein are the same as in past issues. Furthermore, some of the information indicated herein will have been updated by the time this report is published.

## Publishing Details

**Published:** September 2011

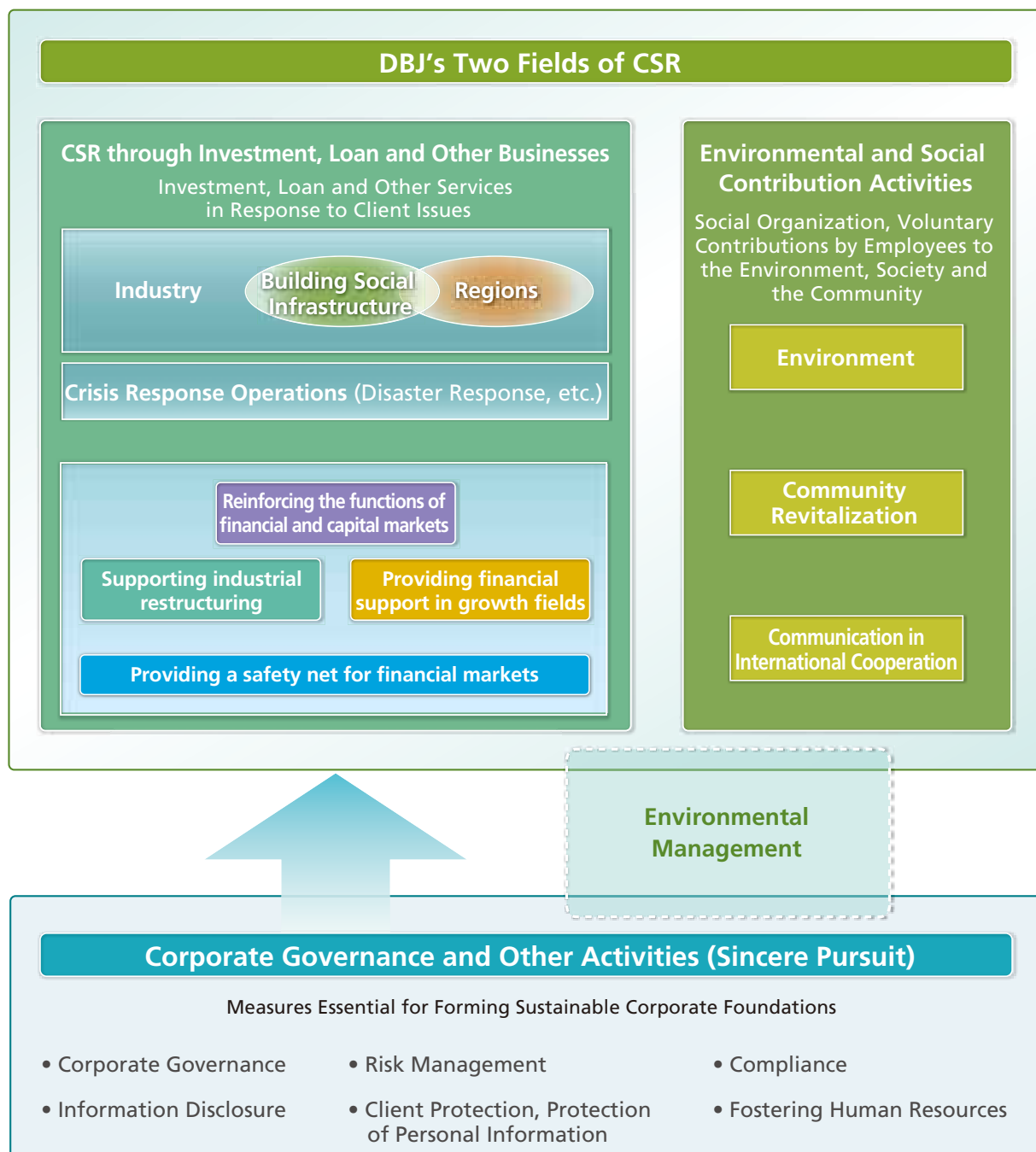
**Next publication:** September 2012 (previous publication: September 2010; frequency: annual)

## Reference Guidelines

*Sustainability Reporting Guidelines 2006*, issued by the Global Reporting Initiative (GRI), and the *Financial Services Sector Supplement* were used as reference guidelines.

With corporate governance as its cornerstone, DBJ separates into two fields the scope of the CSR activities through which it addresses the problems society faces: (1) CSR through investment, loan and other businesses and (2) the environmental and social contribution activities it undertakes. The combination of the two fields enhances corporate value.

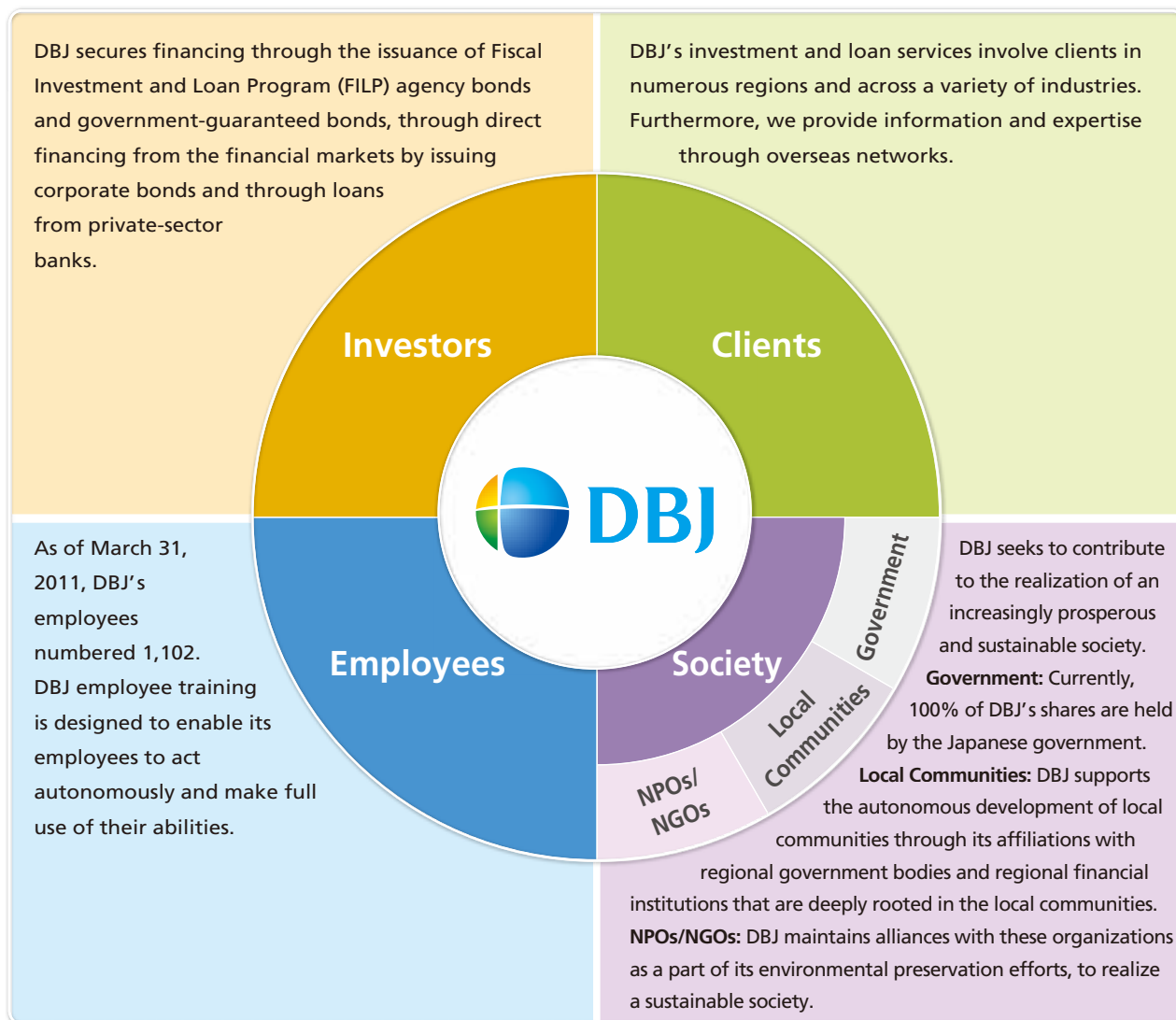
## Fields of CSR Implementation at DBJ



## Fields of CSR Implementation at DBJ

DBJ comes into contact with a wide variety of organizations, companies and people in the course of its operations.

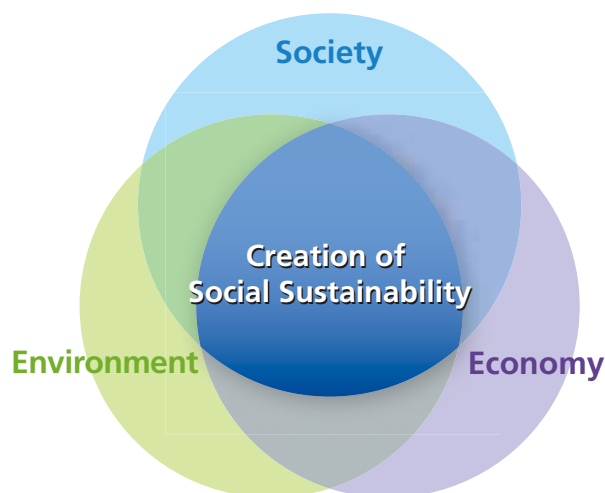
DBJ strives to increase its dialogue with stakeholders in its effort to realize a sustainable society.



## Triple Bottom Line

"Triple bottom line" refers to evaluating corporate activity from the three vital perspectives of the society, environment and the economy. It is not simply evaluating a company's financial performance, but rather assessing sustainable development by incorporating environmental, social and economic aspects.

Economic issues are tied to DBJ's investments and loans, and its considerations include region-specific and environmentally time-specific concerns, in addition to the economic issues that a company faces, thus spanning the three elements that make up triple bottom line evaluation. Accordingly, in "CSR through Investment, Loan and Other Businesses," DBJ carries out activities based on triple bottom line evaluations to help build a sustainable society.



## Social Effectiveness

During its time as a comprehensive policy-based financial institution, evaluations of DBJ's annual operations raised DBJ's business effectiveness and results, thereby improving its responses to socioeconomic changes facing Japan. These responses were a way to evaluate CSR through Investment, Loan and Other Businesses.

Even after privatization, DBJ aims to continue contributing to building an affluent future by solving problems through creative financial activities. We determine from our own perspective those businesses that are truly useful to society and work to promote the realization of a sustainable society.

## CSR through Investment, Loan and Other Businesses

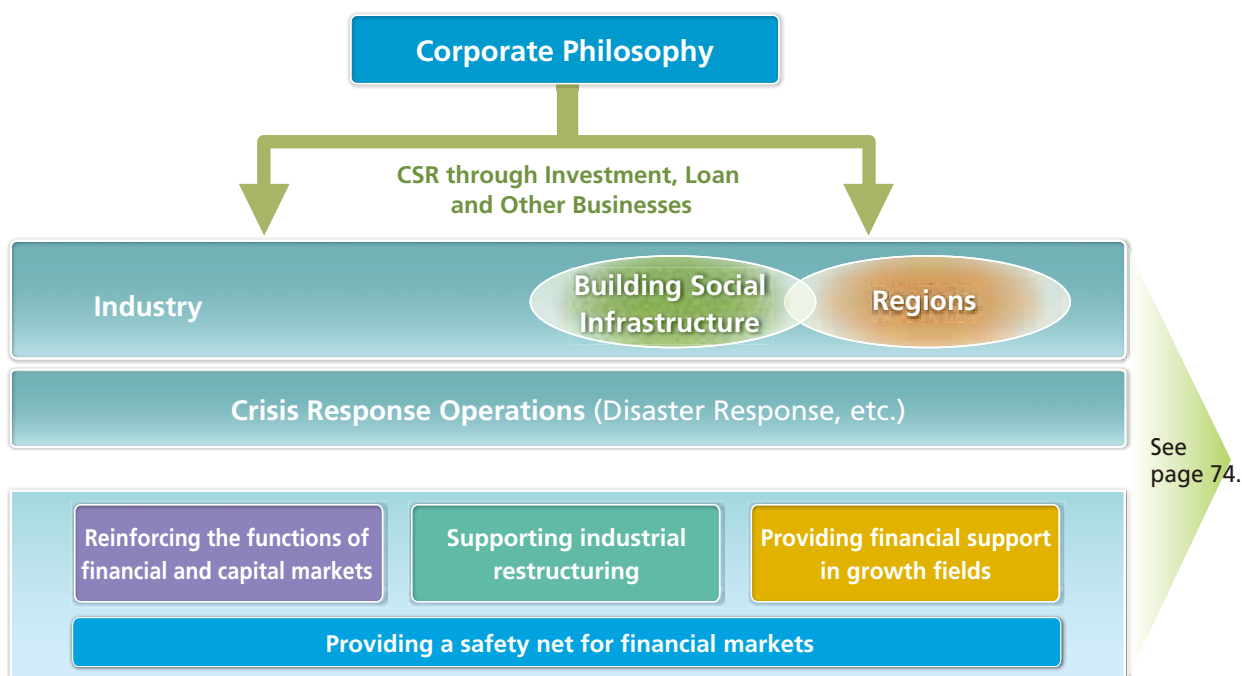
Due consideration of compliance issues is a prerequisite for the sustainable development of enterprises. Accordingly, it is important that a corporation's business activity brings new value to, contributes to problem-solving in, and gains the trust of society.

Financial institutions can play a specific role in building a harmonious society over the long term by identifying truly meaningful projects for the economy and society and providing quality financing and other financial solutions.

We believe that DBJ can gain the trust of society with CSR through investment, loan and other businesses, such as the provision of services that lead to client satisfaction, increases in corporate value, coexistence with regional

societies and the creation of employee-friendly workplaces. Accordingly, DBJ considers the application of its intellectual assets and service platforms for investments and loans to be of vital importance.

Specifically, DBJ will apply the distinctive features and financial services that it has realized in the past to provide various solutions to clients that cover expected changes and other issues that are forecast for the economic and social environments. In this way, DBJ will fulfill its four roles: reinforcing the functions of financial and capital markets, supporting industrial restructuring, providing financial support in growth fields and providing a safety net for financial markets.



## Environmental and Social Contribution Activities

DBJ recognizes that today's social and environmental problems can best be resolved by communication and the exchange of opinions. Accordingly, DBJ strives to communicate with as many people as possible through seminars, symposiums, lectures and the Internet.

### Communication Focused on the Environment

Environmental problems such as global warming must be resolved, starting with individual awareness of the severity of the issues.

DBJ promotes understanding of the relationship between the environment and financial and business activities by participating in the Eco-Products Exhibition, Japan's largest environmental event, and holding seminars and symposiums in conjunction with relevant organizations.

DBJ has had a booth at the Eco-Products Exhibition every year since fiscal 2001. Through display panels, we introduce various DBJ activities, such as Financing Employing DBJ Environmental Ratings and our tie-up with the UNEP Finance Initiative. In fiscal 2010, we delivered a lecture on the theme of "New Trends in Environmental Financing," attracting numerous visitors to our booth.



"Eco Presentation Stage"  
(Eco-Products 2010)

Since fiscal 2009, DBJ has been a participating sponsor of the eco japan cup\*, Japan's largest environment-related contest. We are active on the organization's executive and judging committees.

\*The "eco japan cup" is sponsored by public and private entities, including Japan's Ministry of the Environment, Ministry of Land, Infrastructure, Transport and Tourism, Ministry of Internal Affairs and Communications, Sumitomo Mitsui Banking Corporation and DBJ. The contest describes itself as a "contest for unearthing and growing seeds of green business." This program is a continuation of the 2005 "Environmental Dynamite!" event. Renamed the "eco japan cup" in 2006, this event is held on an annual basis.



### Communication to Community Revitalization

DBJ considers working with local citizens to build communities that suit their unique environments an important part of supporting independent community development. To this end, DBJ sponsors such events as seminars and symposiums in collaboration with local authorities and regional branches of the Japan Chambers of Commerce and Industry and other economic organizations.

In our Regional Health Checks, we discuss objective indicators and original analytical methods with residents and help them identify their community's issues and potential. DBJ employees interview community stakeholders in advance, study the region's resources and, on the final day, hold a participatory workshop with residents. (See page 53.)

### Hokkaido Branch

#### Environmental Exhibition on Building Hokkaido's Future

The 2010 Environmental Exhibition on Building Hokkaido's Future, a collaborative government-private sector event, was held with the aim of "creating a sustainable society suited to Hokkaido that features virtuous environmental and economic cycles" and themed on "fostering a new green industry revolution." At this exhibition we introduced Financing Employing DBJ Environmental Ratings, the Hokkaido Branch's Regional Areas' *Genki* Program, as well as DBJ's other environment-related initiatives.



### Tokai Branch

#### Messe Nagoya

Messe Nagoya 2010 was held to carry forth the philosophies of the 2005 World Exposition, Aichi, Japan (the environment, science and technology, and international cooperation).

This year's themes centered on energy and the environment, in keeping with The 10th Conference of the Parties to the Convention on Biological Diversity, also known as COP 10, held in Nagoya.





## Communication in International Cooperation

In cooperation with Japan Economic Research Institute Inc., DBJ holds seminars for developing countries' governmental and developmental financial institutions, primarily in Asia, describing the Bank's experience in applying policy-based financing to support the industrial economy of postwar Japan. We also offer the expertise we have accumulated in recent policy issues, such as energy conservation, environmental measures and private infrastructure. The Development Finance Course, for example, is a seminar that has attracted 346 people from more than 30 countries since it was inaugurated by DBJ in 1967.

For individual development banks, DBJ cooperated with the World Bank and the Japan International Cooperation Agency to provide comprehensive technical cooperation to the China Development Bank and the Infrastructure Development Bank of Malaysia. We also concluded a business cooperation agreement with the Vietnam Development Bank in 2007. In addition, in fiscal 2009, we cooperated in holding training sessions and workshops in Tokyo and at overseas locations for participants from the China Development Bank, the Vietnam Development Bank and the Small Industries Development Bank of India, as well as Mongolian government decision-makers and mid-tier officials.



Training at Vietnam Development Bank

## Other Communication Efforts

### Providing Information

#### Video Introduction to CSR Initiatives

To make DBJ's CSR activities more easily understandable, on our website we have included video content entitled "DBJ's CSR: Strengthening Society through Financial Expertise." We also showed this video at the Eco-Products 2010 exhibition. <http://www.dbj.jp/co/csr/index.html> (Japanese only)



## Issuing CSR Reports

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## Participating in Activities That Contribute to Society

### TABLE FOR TWO

DBJ began participating in the TABLE FOR TWO\* program on March 29, 2010. Under this program, one of the meals in our company cafeteria each day is designated as a "healthy menu" option. Through proactive employee participation in this program, as of the end of May 2011, DBJ's contributions totaled ¥427,680—enough to provide 21,384 meals.

\*TABLE FOR TWO is a program run by the nonprofit organization TABLE FOR TWO International. Under this program, each time a specific food item is purchased, a ¥20 donation (enough money to purchase one school lunch in a developing country) is donated to purchase a school lunch for one child.



A healthy menu



Campaign

## Participating in Local Community Activities

### Support for the Operation of the Environmentally Friendly Marunouchi Shuttle Bus

Since the year ended March 31, 2004, DBJ has co-sponsored the operation of environmentally friendly buses carrying passengers free of charge on a route in the Otemachi, Marunouchi and Yurakucho area of Tokyo's business district. These buses help raise awareness about environmental issues. Not only do the buses reduce environmental impact and noise but also they are barrier-free with a low-floor design, ensuring easy access for disabled users.



Marunouchi shuttle bus

DBJ promotes CSR through investment, loan and other businesses to solve social problems.

Specifically, DBJ will apply the distinctive features and financial services that it has realized in the past to provide various solutions to clients that cover expected changes and other issues that are forecast for the economic and social environments. In this way, DBJ will fulfill its four roles: reinforcing the functions of financial and capital markets, supporting industrial restructuring, providing financial support in growth fields and providing a safety net for financial markets.

### CSR through Investment, Loan and Other Businesses



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## Energy

**International interest in using solar power, wind power, biomass and other renewable energy is mounting amid ongoing concerns about global warming. Utilization of renewable energy is essential for curbing greenhouse gas emissions and realizing a low-carbon society.**

### Case Study: Showa Shell Sekiyu

Showa Shell Sekiyu K.K., headquartered in Minato-ku, Tokyo, is a Japanese oil refiner and distributor. While maintaining a strong foundation in the oil business, the company is enterprisingly developing a next-generation CIS photovoltaic cell\* project via wholly owned subsidiary Solar Frontier K.K., aiming to turn it into an energy business to help realize a low-carbon society. In February 2011, the company's No. 3 photovoltaic cell plant—one of the world's largest—commenced operations in Miyazaki Prefecture. Together with plants No. 1 and No. 2, which are already in operation, it aims to expand annual production to approximately one gigawatt and to acquire 10% of the global market.

The new plant satisfies the requirements of a designated business under Paragraph 4, Article 2, of the Bill on the Promotion of Businesses to Develop and Manufacture Energy and Environmentally Friendly Products. Accordingly, on March 22, 2011, the plant received the first certification under the Specified Business Plan of the Ministry of Economy, Trade and Industry (METI).

Given this certification, DBJ financed Showa Shell Sekiyu as a designated financial institution defined in Article 8 of the same legislation.

\* Thin-film photovoltaic cell made primarily from copper, indium and selenium (CIS)



Solar Frontier's Miyazaki Plant

### Case Study: Japan Bio Energy

With the aim of forming a business to generate electricity through biomass employing wood and other materials produced during construction, Japan Bio Energy Co., Ltd., headquartered in the city of Kawasaki, Kanagawa Prefecture, was established to provide wood chips. The company was formed through joint investment by Sumitomo Joint Electric Power Co., Ltd., Sumitomo Forestry Co., Ltd. and Fuluhashi EPO Corporation. The wood chips that the new company produces are supplied to the adjoining Kawasaki Biomass Power Plant (operator: Kawasaki Biomass Electric Power Corporation; generation capacity: 33,000 kW). Using wood chips to fuel power generation, the plant expects to reduce CO<sub>2</sub> emissions by approximately 120,000 tons per year.

DBJ approved and provided financing to Japan Bio Energy under the DBJ Development Support Program

(*Nihon Genki Program*), recognizing the company as a contributor to global warming prevention through the efficient reuse and recycling of forest resources and the provision of fuel to a CO<sub>2</sub>-free power generator.



Biomass-fired facility

## Energy

### Case Study: Kankyo Recycle Energy

Kankyo Recycle Energy K.K., headquartered in the city of Sasebo, Nagasaki Prefecture, was established in July 2007 by local operators of general and industrial waste-processing businesses.

The city's Sasebo Biomass Town concept to invigorate private sector companies and other entities explores the possibilities of biomass and creates new industries through technological and other types of innovation. Biomass-fired and other electric power generation facilities as well as biomass fuel production facilities that are to be built and operated by Kankyo Recycle Energy are considered core projects under the city's concept.

Biomass-related businesses are expected to contribute to global warming prevention and the creation of a recycling-oriented society, and to help reduce illegal dumping.

DBJ, in collaboration with The Eighteenth Bank, Ltd., arranged a syndicated loan for Kankyo Recycle Energy.



Rendering of biomass-fired and other power generation facility

### Case Study: Wind Power Ibaraki

Wind Power Ibaraki, Ltd., headquartered in the city of Mito, Ibaraki Prefecture, operates Japan's first full-fledged wind power generation facility, Wind Power Kamisu. This facility, located offshore from the city of Kamisu, benefits from more stable ocean breezes, and surrounding noise and oscillation are reduced.

As the importance of renewable energy has grown in the aftermath of the Great East Japan Earthquake, Wind Power Kamisu in particular is attracting a great deal of attention for the earthquake and tsunami resistance of its wind turbines, which were fully operational and continued to provide electricity 24 hours a day immediately after the earthquake hit.

DBJ has provided financing to Wind Power Ibaraki under the DBJ Development Support Program (*Nihon Genki* Program).



Wind Power Kamisu, Japan's first full-fledged offshore wind power generation facility

## Transportation

**Transportation infrastructure supports economic activity and is the foundation of a rich and abundant lifestyle. The promotion of investment is necessary for the maintenance and renovation of transportation infrastructure in accordance with degradation due to aging and the requirements of increased transport capacity and efficiency, as well as in response to an aging population and environmental issues. As transportation infrastructure involves large investment amounts and long investment periods, the procurement of long-term funding is increasingly important.**

### Case Study: Tokyo International Air Terminal

Tokyo International Air Terminal Corporation, headquartered in Ota-ku, Tokyo, was established to take charge of an SPC to maintain and manage the international terminal buildings of Tokyo International Airport, whose largest shareholder is Japan Airport Terminal Co., Ltd.

This is the first case of national core transportation infrastructure being handled as a PFI.

DBJ, Mizuho Corporate Bank, Ltd., and The Bank of Tokyo-Mitsubishi UFJ, Ltd., co-arranged and extended loans in the form of project finance. By constructing a finance scheme that is flexible to changes in aviation and commercial market demand and other trends, DBJ is supporting the implementation of the project up to a period of 30 years from its operational start-up.



Tokyo International Air Terminal, which began operations in October 2010

### Case Study: V-Lease

V-Lease Corporation, headquartered in Chiyoda-ku, Tokyo, was established to conduct the business of acquiring and leasing back spare engines owned by Zurich-based International Aero Engines AG (IAE). DBJ's investment accounted for 100% of the new company's capital.

Established as a joint venture by several companies, including Rolls Royce Group plc and Japanese Aero Engines Corporation, IAE manufactures and sells the V2500 engines that power the Airbus A320 family of aircraft. IAE has long-term maintenance agreements in place with various airlines through which the company provides short-term leases of spare engines to the airlines during maintenance intervals.

V-Lease and IAE concluded an agreement in which V-lease purchases IAE's spare engines, thereby moving the spare engine assets from IAE off the balance sheet.

By applying the expertise it has cultivated to date, DBJ entered the business of operating leases for aircraft engines, core parts for Japanese companies involved in heavy industry. Through this business, we aim to promote the further development of the Japanese airline industry.



V2500 engine

## Urban Development

**Efforts to develop and upgrade urban infrastructure and functions and the creation of urban culture and a comfortable environment for the lifestyles of working people through urban development are the driving forces behind the revitalization of economies and communities at the regional and national levels.**

### Case Study: Tobu Railway

Tobu Railway Co., Ltd., with its headquarters in Sumida-ku, Tokyo, is a major railway operator that operates two trunk lines, the Tobu Isesaki Line (between Asakusa and Isesaki stations) and the Tobu Tojo Line (between Ikebukuro and Yorii stations). Including Tokyo Sky Tree, the world's tallest free-standing broadcasting tower, this is a large-scale urban redevelopment project in the Narihiraishi/Oshiage area. Located in the area connecting Narihiraishi and Oshiage stations, Tokyo Sky Tree is the key property in a development slated to include commercial facilities, an aquarium, a domed theater and other structures, and is expected to revitalize the area.

DBJ, together with Mizuho Corporate Bank, Ltd., arranged and provided financing for this project, including Tokyo Sky Tree. DBJ has also invested in the tower's operator, Tobu Tower Sky Tree Co., Ltd., and has provided funding to Tobu Energy Management Co., Ltd. This company,

a wholly owned subsidiary of Tobu Railway, will introduce and operate a heat supply system in Tokyo Sky Tree's vicinity.



Rendering of Tokyo Sky Tree, which is under construction and scheduled to begin operations in May 2012

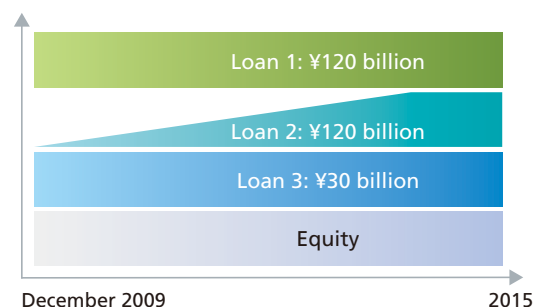
### Case Study: Tokyo Prime Stage

Tokyo Prime Stage Co., Ltd., is an SPC established jointly by Tokyo Tatemono Co., Ltd., and Taisei Corporation for the purpose of developing a prime site located in Chiyoda-ku, Tokyo, that is currently occupied by Mizuho Bank's Otemachi head office building and the Otemachi Financial Center building into a large-scale multipurpose building, tentatively named the Otemachi 1-6 Plan.

The current plan is for a standard floor area of approximately 2,970 square meters. The high-rise building will house state-of-the-art office space and a luxury hotel, with the premises providing around 3,600 square meters of green space. Construction is slated for completion in spring 2014.

With DBJ as the lead arranger, 26 financial institutions are participating in the ¥270 billion syndicated loan—one of the largest ever arranged in Japan.

#### ● Structure of the Syndicated Loan



## DBJ Green Building Certification Program

**Demand is increasing for urban development and revitalization that take environmental conservation and disaster prevention into account in an attempt to realize a sustainable society. Recent years have seen forward-looking initiatives among real estate providers to offer their stakeholders property that is not only economical, but also incorporates consideration for the environment and society.**

### Case Study: Mitsubishi Estate

Mitsubishi Estate Co., Ltd., headquartered in Chiyoda-ku, Tokyo, is a comprehensive real estate developer that is currently involved in the sequential redevelopment of property in Tokyo's Marunouchi district. This project commenced with the Marunouchi Building, which was completed in August 2002.

The Mitsubishi Estate-owned Marunouchi Park Building (located in 6-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo) was completed in April 2009. This state-of-the-art office building, which rises 34 stories above ground, includes in its first basement through fourth floors Marunouchi BRICK SQUARE, a shopping zone that buzzes with activity during the day. The Mitsubishi Ichigokan Museum, located on the premises, features bricks restored from the first office building in the Marunouchi area.

For the reasons described below, DBJ ranks this structure highly as "a Japanese building that serves as an excellent example of environmental and societal consideration." Accordingly, DBJ awarded the Marunouchi Park Building its top "platinum" ranking in the DBJ Green Building Certification program, because it:

- (1) Boasts superior environmental performance by making use of leading-edge technologies,
- (2) Delivers value beyond the simple function as an office building through the inclusion of plazas, museums and the like, thereby going beyond its business application to provide space that promotes leisure and culture,
- (3) In addition to being well equipped on the disaster- and crime-prevention fronts, includes a commercial zone with fitness club and other facilities that enhance the building's convenience and make it an extremely amenable offering for residents and others in its vicinity, and

- (4) Displays an extremely high degree of environmental preservation awareness activities for tenants, and the owner cooperates with ongoing tenant initiatives.

As its first project to qualify under the DBJ Green Building Certification program, DBJ provided financing to Mitsubishi Estate, owner of the Marunouchi Park Building.



Marunouchi Park Building

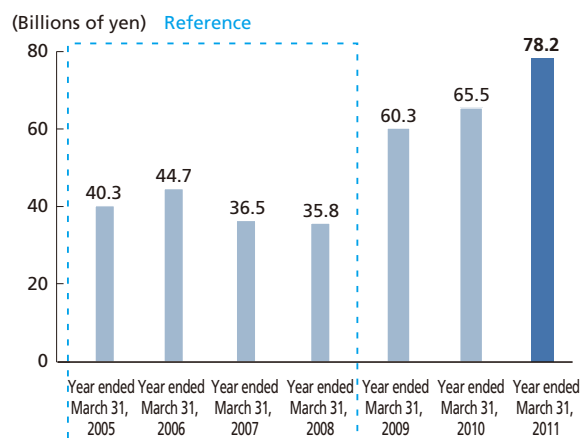


## Financing Employing DBJ Environmental Ratings

**The environment is a matter of global concern, and corporations are responsible for conducting business in an environmentally responsible manner. Financial institutions are no exception, being tasked with the mission of contributing to a sustainable society.**

The graph below shows the amount of Financing Employing DBJ Environmental Ratings for the past seven years. Financing in the year ended March 31, 2011, amounted to ¥78.2 billion, an increase of approximately 19% year on year. The total for the seven years to March 31, 2011, stands at ¥361.4 billion.

### ● Track Record of Financing Employing DBJ Environmental Ratings



Notes: 1. Figures for years ended March 31, 2005 to 2008, are for DBJ's predecessor.  
2. Figures for the year ended March 31, 2009, include those for DBJ's predecessor (from April 1 to September 30, 2008).

The DBJ Environmental Ratings Advisory Committee meets to receive outside expert advice and make adjustments to the DBJ Environmental Ratings system in line with past scoring and results as well as with trends in environmental policy. Revised DBJ rating sheet for Fiscal 2011, will incorporate elements related to ISO 26000, which went into effect in 2010, and enhancements related to corporate social responsibility (CSR). DBJ has also made adjustments to place an increased focus on the relationship between a company's core business and biodiversity, reflecting The 10th Conference of the Parties to the Convention on Biological Diversity, also known as COP 10, which took place in Nagoya in 2010.



DBJ environmental logo

### Case Study: Kanagawa Chuo Kotsu

Kanagawa Chuo Kotsu Co., Ltd., headquartered in the city of Hiratsuka, Kanagawa Prefecture, chiefly operates buses in Kanagawa Prefecture, but is also involved in real estate, hotels and other businesses. The company has undertaken a number of forward-looking initiatives to enhance its level of service, such as being the first operator in Japan to introduce steplifts on its buses, thereby helping to raise the service level of bus transportation throughout Japan.

The operator was evaluated highly for its cooperation in constructing the Public Transportation Priority System (PTRS)\*, its position as the first operator in Japan to introduce a non-step bus—the Twin Liner—in response to Japan's Transportation Accessibility Improvement Law and its contribution to society as a whole by raising the efficiency of transport systems. Another factor behind its high rating was Kanagawa Chuo Kotsu's effort to encourage a shift from private vehicles to the use of public transportation through the introduction of an environmental commuter pass and the industry-leading implementation of the Green

Ecopass, a commuter pass that incorporates carbon offsets.

The current environmental rating-based financing was provided to reinforce Kanagawa Chuo Kotsu's environmentally conscious initiatives by providing funds to introduce low-emission buses. Going forward, DBJ expects the company to provide an important role in the region's transportation infrastructure.

\* Designed to give priority to public-transport vehicles, this advanced traffic light control system recognizes individual buses.



Twin Liner



## Financing Employing DBJ Environmental Ratings

### Case Study: FP Corporation

FP Corporation, headquartered in the city of Fukuyama, Hiroshima Prefecture, leads the industry in the manufacture and sale of trays used for food products. The company has set up a voluntary system to collect used trays, recycle them and convert them again into products. Recognizing early on that international society was sharpening its focus on the growing responsibility of manufacturers, FP Corporation introduced the first system in Japan to conduct ongoing recycling awareness activities targeting packaging wholesalers, retailers and consumers.

DBJ gave the company high marks for (1) the FP *Tray-to-Tray*\*<sup>1</sup> environmental recycling system for lowering its environmental impact and (2) voluntary technical developments to make food trays more lightweight.

After FP Corporation received its environmental rating, DBJ arranged the Environmental Club Syndicated Loan *ECONOWA*\*<sup>2</sup>, through which a total of ¥3.0 billion was provided via 14 regional financial institutions. At the ADFIAP\*<sup>3</sup> annual meeting in April 2011, the *ECONOWA* loan to FP Corporation received the Local Economic Development Division Special Award in the ADFIAP Awards.

\*1 A recycling system in which post-use trays are voluntarily recovered and converted to Eco Tray products.

\*2 Under this system, financial institutions having a high level of environmental awareness provide syndicated loans that go toward companies' environmental expenses and investments. The name derives from the English word "ecology" and the Japanese word "wa," which connotes harmony, cycles and rings.

\*3 Acronym for the Association of Development Financing Institutions in Asia and the Pacific.



Tray-to-Tray recycling system

### Case Study: Valor

Valor Co., Ltd., headquartered in the city of Ena, Gifu Prefecture, an operator of supermarkets in Japan's Chubu region, is pursuing environmentally conscious management via thoroughgoing cost management and the rollout of low-carbon stores.

DBJ provided financing to the company based on its high environmental rating. Earning this rating were (1) its initiatives to improve its environmental burden through certification of the energy efficiency of various facilities, (2) in existing stores, its cogeneration\*<sup>1</sup> and desiccant air conditioning systems\*<sup>2</sup>, as well as its steady installation of other energy-saving equipment, and (3) the introduction in its Kusatsu Store in Shiga Prefecture of photovoltaic generation and geothermal temperature regulation and other systems. Through its verification project, the company has succeeded in reducing CO<sub>2</sub> emissions by more than one-third compared with existing stores.

Valor plans to sustain its environmentally considerate management approach from two angles—hardware and

operational. By promoting initiatives in these areas, the company expects to reduce its environmental impact even further.

\*1 Efficient energy management systems that use waste heat emitted from power generation to meet other demands for heat, such as in air conditioning and hot water supply systems.

\*2 Energy-efficient air conditioning systems that use desiccants for dehumidification.



Cogeneration system and solar panels at the Valor Hikone Store

## Environmental Technology

**To solve global warming, energy problems and a whole range of environmental issues, and to promote the creation of a recycling-oriented society, it is important to support businesses financially so that they can undertake the development of the required technologies. To achieve these objectives, companies must obtain and accumulate more advanced technical expertise, and a steady stream of funding is necessary to accommodate projects of different scales at varying stages of development.**

### Case Study: DB Masdar Clean Tech Fund

DB Masdar Clean Tech Fund, L. P., is a clean technology\*<sup>1</sup> fund managed by Abu Dhabi Future Energy Company (Masdar; head office: Emirate of Abu Dhabi), which is a conglomerate owned by the Emirate of Abu Dhabi\*<sup>2</sup> that advances environment-related business activities, and DB Climate Change Advisors (DBCCA; head office: New York State, United States), which is a unit of Deutsche Bank's asset management business.

Numerous companies worldwide are engaged in R&D in the clean technology field as they work to commercialize promising environmental technologies.

To bring Japan's environmental technologies to the world and sharpen the country's international competitive edge through the environmental industry, DBJ provided funding to the DB Masdar Clean Tech Fund, which has a broad-based network and a large technology team, with the view that support is required for investment funds that have global networks and technical evaluation capabilities.

\*1 Refers to a range of technologies, products, services and processes that utilize renewable resources to lessen the consumption of natural resources, curtail the emission of greenhouse gasses into the atmosphere and reduces waste. The wide array of clean technologies, which incorporate advanced energy efficiency and a lower environmental impact than existing technologies, includes solar power, wind power, fuel cell and other alternative energy technologies; water, air and soil decontamination technologies;



technologies related to new materials; and automotive and other transportation-related technologies.

\*2 One of the emirates constituting the United Arab Emirates (U.A.E.)

Conceptual rendering of Masdar City, which will run entirely on renewable energy

### Case Study: Kanmon Kowan Construction

Kanmon Kowan Construction Co., Ltd., headquartered in the city of Shimonoseki, Yamaguchi Prefecture, is a marine construction contractor involved primarily in dredging\*<sup>1</sup> and filling. Leveraging the advanced dredging technology it cultivated on the Kanmon Waterway, involving swift currents, rock plates and hard ground, Kanmon Kowan Construction participates actively in overseas projects, such as the Railway Bosphorus Tube Crossing, Tunnels and Stations in the Republic of Turkey.

DBJ provided Kanmon Kowan Construction with financing to build *OCEAN No. 5*, a backhoe reclaimer work vessel\*<sup>2</sup>.

The *OCEAN No. 5* contains equipment for transporting dredged soil to the reclamation location without dirtying the sea, a seawater desalination unit, oily water separation equipment, and sewage treatment facilities. Furthermore, the vessel has adopted rooftop gardening technology. Its diesel engines satisfy International Maritime Organization Tier II emission requirements and were introduced in advance of their implementation. This combination of features makes the *OCEAN No. 5* a reclaimer work vessel that

incorporates global warming countermeasures and other environmental considerations on an unprecedented scale.

\*1 Deepening waterways through the removal of underwater dirt and sand.

\*2 This type of working vessel, also known as a pump dredger, uses a barge-mounted earth-moving shovel to place earth onto a conveyor, which is used to transport the material to a landfill location.



New *OCEAN No. 5* backhoe reclaimer work vessel

## Healthcare and Welfare

Society faces a wide range of issues on the healthcare front, including an increasingly elderly population, advances in medical procedures, mergers and acquisitions by medical corporations and a need to rebuild aging facilities. Offering uninterrupted medical services involves solving fiscal and administrative problems and improving the skills of medical and other personnel and the quality of related facilities and medical equipment.

### Case Study: JR Sapporo Hospital

JR Sapporo Hospital, located in Chuo-ku, Sapporo, is a 312-bed medical institution that plays a central role in the region and is owned and operated by the Hokkaido Railway Company.

In coordination with other organizations, DBJ supplied project financing for the reconstruction of JR Sapporo Hospital's dilapidated medical facilities. An SPC was established to enable funding procurement that would take advantage of the earning power of the new facility and to successfully separate the ownership of the hospital from its operations.

This project financing scheme was built on a stable foundation, with Lifetime Partners, Inc., of the Mitsubishi Group, as the arranger and DBJ as the coarranger, along with senior loans provided by regional financial institutions and a mezzanine loan extended by DBJ.

DBJ strengthened ties with regional financial institutions in Hokkaido through a business cooperation agreement it concluded in September 2005. DBJ expects that this financing scheme, which supports the enhancement of local healthcare and the assignment of regional healthcare functions to facilities with advanced medical capabilities, can be applied to many hospitals.



JR Sapporo Hospital after reconstruction

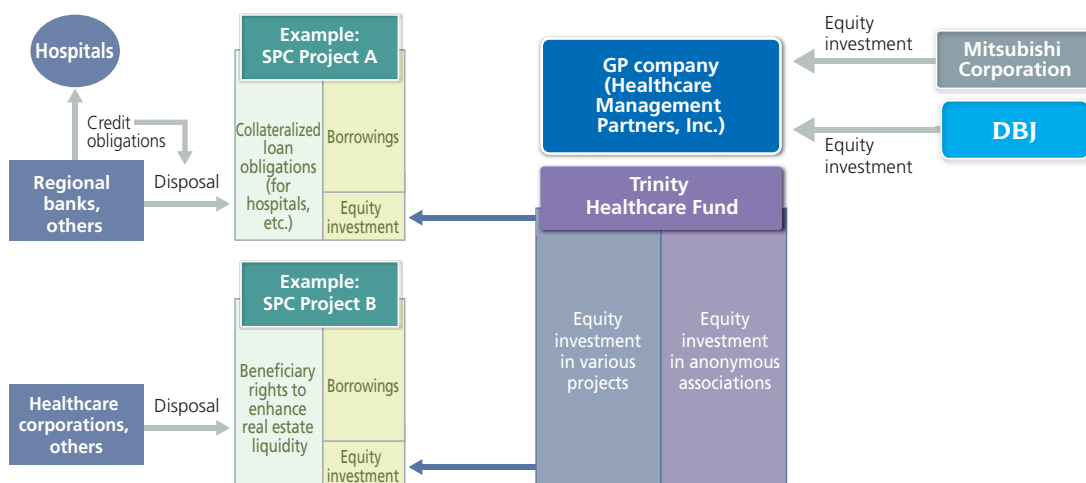
### Case Study: Trinity Healthcare Fund

In cooperation with Mitsubishi Corporation, DBJ established the Trinity Healthcare Fund to provide equity to support business revitalization/restructuring for healthcare operators.

Health Management Partners, Inc., was established to operate the fund created by the two companies through this joint investment. The fund buys loans issued by financial institutions throughout Japan to medical institutions

and nursing facilities that require management support. The fund then formulates management improvement plans and cooperates with the management of firms requiring support to strengthen their financial and management structures. The fund also proposes fund procurement methods that employ the securitization of real estate and provide financing in response to regional medical needs.

#### ● Overview of the Trinity Healthcare Fund



## Healthcare and Welfare

### Case Study: Mitsui Memorial Hospital

Mitsui Memorial Hospital, located in Chiyoda-ku, Tokyo, handles emergency and advanced medical care, and is one of the metropolitan area's leading general hospitals for acute treatment. Since its establishment in 1906, the hospital has maintained a spirit of social welfare, catering to the needy by at times waiving or reducing medical fees. Mitsui Memorial Hospital also maintains ties with nearby university hospitals, regional medical societies and private hospitals, playing an important role as a core regional hospital.

The hospital had resolved to undergo a complete reconstruction to replace aging facilities and address the issue of insufficient earthquake protection, as well as in the future to build a new hospital wing to provide advanced acute treatment\*. DBJ met the hospital's financing needs for constructing a new wing—taking a proactive approach toward project risk by concluding a financing agreement prior to the start of construction.

\* Difficult treatments, such as cardiovascular and cancer treatments, that require a high degree of expertise and that must be performed urgently



Mitsui Memorial Hospital, as its reconstruction plan nears completion

### Case Study: Takeda General Hospital

With principal facilities in Aizu-Wakamatsu, Fukushima Prefecture, Takeda General Hospital is one of Japan's largest private hospitals. As a medical center serving the Aizu and southern Aizu areas of Fukushima Prefecture, Takeda General Hospital plays a highly important role in regional healthcare and is designated as a regional medical support hospital, regional perinatal mother-and-child medical center and regional affiliated base hospital for cancer diagnosis.

DBJ partnered with The Toho Bank, Ltd., to assemble a syndicated loan, enlisting the full cooperation of major regional financial institutions in the Tohoku region and arranging large-scale, long-term financing in line with

the business and construction plans for Takeda General Hospital's new building.



Rendering of the new hospital building

### Medical Management Database 2011

Edited by DBJ and Japan Economic Research Institute, Inc., and published in July 2011, this handbook focuses on supporting hospital management reform. The handbook provides a compact and comprehensive overview of essential information, including updates to basic information such as that indicated below.

- Environment surrounding the healthcare sector (such as trends involving hospital facilities and management)
- Analysis of the current status of hospital management (running costs, facility investment and trends involving securing physicians and nurses)
- Topics related to hospital management (such as examples of hospital management improvements and cooperation among community healthcare facilities)





## Restructuring and Revitalization

Since the emergence of nonperforming loans as a major problem in Japan in the late 1990s, corporate and business revitalization has become an important issue. In recent years, international financial disorder and the tide of economic globalization have fomented swift change in the corporate business environment. Smooth revitalization is an important issue for not only the distressed companies that are viable businesses themselves but also the financial institutions and other entities supporting their revitalization.

### Case Study: Japan Industrial Solutions

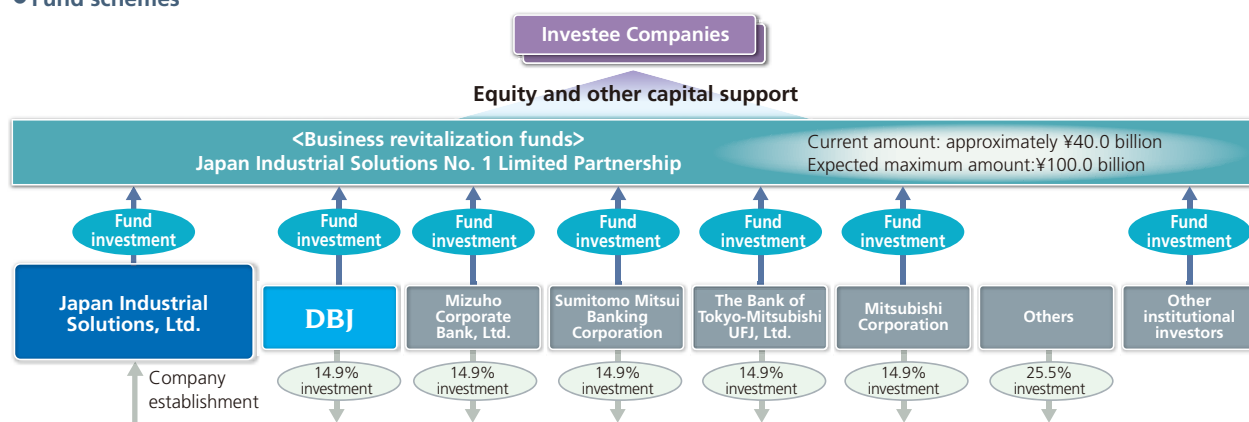
Japan Industrial Solutions, Ltd., headquartered in Chiyoda-ku, Tokyo, was established to manage business revitalization funds. The company was formed through joint investment by a number of companies, including DBJ, Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi Corporation, and other companies.

By forming business revitalization funds, Japan Industrial Solutions will provide equity and other capital support to respond to companies' needs for cash and capital reinforcement depending on the extent of business restructuring

and other requirements. At the same time, Japan Industrial Solutions plans to collaborate with the investee companies' management teams as well as their main banks to achieve its investees' business revitalization.

Working in concert with other financial institutions, DBJ aims to introduce a broad range of measures to enhance corporate value, including through industry restructuring. In this manner, we will support Japan Industrial Solutions in its endeavor to contribute to the efforts of Japanese industry to face increasingly stringent global competition and the structural issues underlying sluggish domestic demand.

#### ● Fund schemes

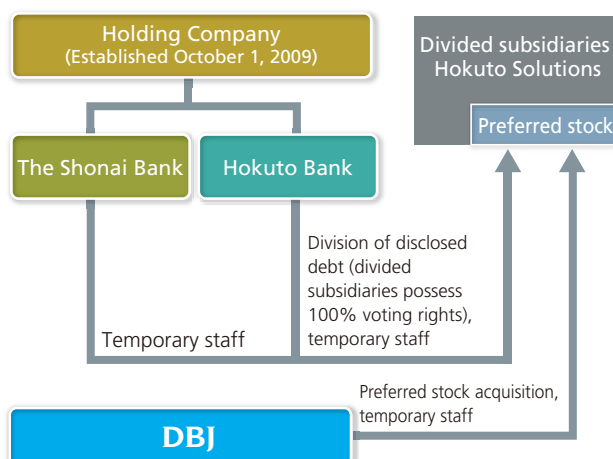


### Case Study: Hokuto Solutions

Hokuto Solutions, Ltd., a wholly owned subsidiary of Hokuto Bank Ltd., both headquartered in the city of Akita, was established in an attempt to improve its parent's financial health by reducing nonperforming loans and providing management support to trading partners. DBJ concluded a business alliance with Hokuto Bank and The Shonai Bank, Ltd., which has headquarters in the city of Tsuruoka, Yamagata Prefecture.

Hokuto Solutions inherited ¥16.2 billion in nonperforming loans from Hokuto Bank and is engaged in debt management and the support of business revitalization activities for Hokuto Bank.

DBJ provided temporary staff to Hokuto Solutions and invested approximately ¥1 billion in the form of nonvoting preferred stock.



## M&A and Business Alliances

Mergers and acquisitions (M&A) have entered the spotlight with their increasing prevalence, owing to such factors as more diverse forms of business development, Asia-centered overseas expansion, and growing activities in business and industry restructuring. M&As are considered effective and essential for aggressive business restructuring and to overhaul and revitalize underperforming businesses.

### Case Study: Toppan Printing

Toppan Printing Co., Ltd., which has its headquarters in Chiyoda-ku, Tokyo, is involved in developing business in a broad range of areas that include information and networks and are focused on the printing industry.

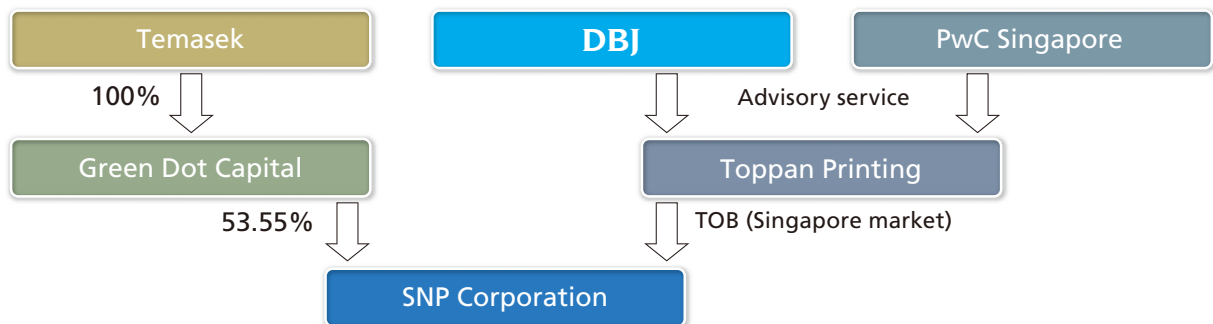
Through its extensive information network, DBJ learned that investment company Temasek, owned by the Singapore government, intended to offer for sale SNP Corporation (currently Toppan Leefung Pte. Ltd.), a Singapore-based printing company. Starting out as Singapore National Printers Pte Ltd., a government printing office, SNP is now a major player in the printing industry, operating domestically and in China, Hong Kong, Southeast

Asia and the U.S. and European markets.

After careful analysis of SNP's corporate value and overseas business development, DBJ proposed the acquisition of SNP to Toppan, and as a result DBJ and PricewaterhouseCoopers Singapore\* supported Toppan's purchase of SNP as joint M&A advisors. The combination of Toppan's advanced technology and SNP's production and sales network promises to enhance Toppan's business in overseas markets.

\*PwC Singapore is a member of New York-based PricewaterhouseCoopers, the world's largest professional services firm.

#### ● SNP Acquisition Scheme



### Case Study: Toko Electric

Toko Electric Corporation, headquartered in Chiyoda-ku, Tokyo, manufactures power distribution equipment and operates a power meter repair business.

Toko Electric integrated its meter business with that of Toshiba Corporation to establish Toshiba Toko Meters Systems Co., Ltd., with the aims of (1) developing, manufacturing and selling advanced electronic power meters (smart meters\*), (2) strengthening its gas, water and commercial measuring gauge business, and (3) advancing into overseas markets where the smart grid approach is gaining currency.

DBJ served as Toko Electric's financial advisor during this business integration and provided the long-term loans required for the establishment of the combined entity.

\*A smart meter is a new type of power meter that measures power consumption at households and businesses, then uses an onboard communication function to send the data to the power company automatically at regular intervals. Smart meters also aid in electricity supply planning by power companies through constant monitoring of the amount of power used.



Electronic power meter (with communication function)



## Private Finance Initiatives

**Private finance initiatives (PFIs) draw on private-sector capital and management expertise, as well as technology, to build, operate and maintain social infrastructure that has traditionally been the province of national and local governments. Advantages of the PFI method include reduced operating costs on the part of national and local governments, while taking advantage of private-sector knowledge to receive high-quality public services, and business opportunities created for private-sector enterprises. Problems confronting PFIs include such practical operating concerns as allocating responsibility and accountability across multiple vendors. Numerous financing problems can arise as well, making the ability to negotiate with, and manage, the various participants very important, as well as operating the business.**

### Case Study: Water Next Yokohama

Water Next Yokohama Co., Ltd., headquartered in Yokohama, Kanagawa Prefecture, is an SPC set up to renovate the Kawai Water Purification Plant in the city of Yokohama. The SPC is backed by Metawater Co., Ltd.; Metawater Service Co., Ltd.; Mitsubishi UFJ Lease & Finance Co., Ltd.; Tsukishima Kikai Co., Ltd.; Toden Kogyo Co., Ltd.; Tokyo Electric Power Environmental Engineering Co., Inc.; and Tokyo Electric Power Company.

This is Japan's first example of a PFI project responsible for the overall renewal and management of a water treatment plant, and the facility will be the country's largest membrane filtration water treatment facility. The adoption of a high-capacity membrane filtration system enables efficient operation and maintenance, and taking advantage of

the drop in elevation from the water sources to the treatment plant helps conserve energy.

In concluding a financing agreement with other financial institutions as arranger, DBJ has helped supply project finance totaling around ¥14 billion.



Overview of the planned facilities

### Case Study: Mine Inmate Rehabilitation Support

Mine Inmate Rehabilitation Support Co., Ltd., headquartered in Shibuya-ku, Tokyo, was established as the first organization in Japan to build and operate a new prison, the Mine Rehabilitation Program Center, under the PFI method. Secom Co., Ltd., was among the companies financing the establishment of the special-purpose company (SPC) to operate this prison, located in the city of Mine, Yamaguchi Prefecture.

In June 2006, DBJ and the Bank of Tokyo-Mitsubishi UFJ, Ltd., arranged a project finance package to provide collaborative financing to promote Mine Inmate Rehabilitation Support at each stage.

The Mine Rehabilitation Program Center has operated smoothly since it opened in 2007, and in October 2010 the operator decided to add a wing to house an additional 300 female inmates. To meet the PFI's additional objectives of

expanding and upgrading the existing prison facility, as well as operating, maintaining and managing the new wing, DBJ again collaborated with the Bank of Tokyo-Mitsubishi UFJ to develop a collaborative project finance scheme with regional financial institutions.



Rendering of the renovated and expanded Mine Rehabilitation Program Center

## Financing Employing DBJ Disaster Preparedness Ratings

Such recent disasters as the Great Hanshin-Awaji Earthquake, the Chuetsu Offshore Earthquake, the Iwate-Miyagi Inland Earthquake and the recent Great East Japan Earthquake caused tremendous damage to the economy, with many organizations forced to suspend operations for extended periods. In addition to measures for protecting personnel and property, companies face the need to draft business continuity plans (BCPs) to hedge themselves against lost revenue and retain their clients in the event of disaster.

### Case Study: Suminoe Textile

Suminoe Textile Co., Ltd., headquartered in Chuo-ku, Osaka, is a leading company in the interior industry, with business comprising automobile and other vehicle interiors.

Based on its evaluation of Suminoe Textile's disaster-preparedness initiatives, DBJ provided the company with Financing Employing DBJ Disaster Preparedness Ratings.

To achieve its objectives, Suminoe Textile set up a risk management committee as an organization spanning the entire company. Centering on this committee, the company created an earthquake preparedness manual, clearly defined organizations and functional responsibilities in the event that disaster struck, and defined specific initial disaster responses.

In addition to this internal preparedness, DBJ rated the company highly on its proactive disaster preparedness efforts, including (1) its initiatives to promote business

continuity by enrolling in earthquake insurance and business interruption insurance to shore up the company's finances in the event of disaster, and (2) providing its own water resources through an internal storage lagoon, as one aspect of cooperation with the regional community as demonstrated by its opening of an evacuation area on its own grounds to the neighboring community.



SUMITRON recycled fiber, produced by Suminoe Textile

### Case Study: Nippon Kodoshi

Nippon Kodoshi Corporation, headquartered in the city of Kochi, Kochi Prefecture, was established in 1941 to employ the technology used in making Tosa paper to manufacture viscose-impregnated paper. The company soon embarked on the manufacture of separators for aluminum electrolytic capacitors, an area in which it is currently the leading manufacturer, with a global market share of 70%. In recent years, Nippon Kodoshi has also undertaken the mass production of separators used in lithium-ion batteries. These batteries are a target of growing focus for their use in eco-cars, which feature reduced environmental impact.

After giving high marks to Nippon Kodoshi's disaster response initiatives, we offered Financing Employing DBJ Disaster Preparedness Ratings. We rated highly the company's efforts to ensure a stable supply of products to its customers in Japan and overseas. These included (1) the creation of a disaster response management procedure based on such groups as the damage countermeasures department

management organization, while ensuring management's concentration on business continuity and (2) building a new factory to decentralize its operations to mitigate the risk of potential Nankai megathrust earthquakes while maintaining its locus of production activities in Kochi Prefecture.



Rendering of Yonago plant in Tottori Prefecture

## Community Revitalization

**In recent years, the economic disparity between major urban areas and regional areas in Japan has expanded as people and businesses continue to concentrate in cities. Moreover, disparities even among regions are becoming more stratified and complex, with increasing gaps between hub cities and other areas.**

**For local economies to sustainably exist, development having a broad view (involving other regions in Japan and overseas markets) is important.**

### Case Study: Amino Up Chemical

Amino Up Chemical Co., Ltd., headquartered in the city of Sapporo, is a pioneering Hokkaido-based bioventure that develops highly functional health foods from commonly available foodstuffs, such as mushrooms and soybeans. Promoting joint research in collaboration with a number of other institutions, the products created through the company's sophisticated biotechnologies\* are rated highly by specialists in Japan and overseas for their scientific basis and are used at many medical institutions.

DBJ's Hokkaido Branch has certified Amino Up Chemical under its Regional Areas' *Genki* Program (Food Industry) for the company's success in promoting cooperation among Hokkaido companies and other organizations to contribute to higher-value-added foods. Accordingly, DBJ provided financing to be used in the construction of a new factory and an eco-house wing (a new office wing housing an exhibit space).

The eco-house wing will be an energy-saving facility, employing natural energy sources such as geothermal heating and snow and ice for cooling.

\* Products include active hexose correlated compound (AHCC), a mushroom-derived mycelia extract employed in cancer health supplements, and oligonol, a lychee-derived, low-molecular compound polyphenol with excellent antioxidant properties.



New plant and eco-house wing

### Case Study: NEC TOKIN

NEC TOKIN Corporation, headquartered in the city of Sendai, Miyagi Prefecture, holds an industry-leading share of the market for tantalum capacitors. As the core company of the NEC Group's electronic component business, NEC TOKIN also manufactures and sells globally a host of other compact, high-capacity and high-performance electronic components that are used in advanced mobile phones, personal computers, automobiles and other items.

The NEC Group currently is working to expand its environmental and energy-related business. Accordingly, the company is taking advantage of its highly advanced environmental technologies to promote energy savings in notebook PCs, flat-screen televisions and other digital home electronics. NEC TOKIN is also stepping up its development and making an aggressive effort to expand its offerings of environmentally conscious automotive electronic components.

DBJ provided funding to NEC TOKIN on the basis of the Tohoku Branch's certification of the company under the Regional Areas' *Genki* Program (Clean Innovation).



Automobile transformer for eco-car



Metal components and inductors that contribute to energy savings on notebook PCs

## Community Revitalization

### Case Study: Kosoku

Kosoku Co., Ltd., headquartered in the city of Sendai, Miyagi Prefecture, is a trading company that specializes in the sale of packaging materials, chiefly in the Tohoku and Tokyo metropolitan regions. In response to mounting concern about environmental problems in recent years, Kosoku is increasing the volume of biodegradable materials\* and other environmentally conscious products it handles.

Kosoku has relocated its Yamagata sales office to Arcadia Soft Park Yamagata, where many of the prefecture's research and support institutions are gathered, and has also expanded this facility. This new sales office will also house a packaging material research laboratory, enhancing the company's ability to perform research into environmentally friendly packaging materials for the produce and processed foods handled by local supermarkets.

DBJ provided funding to Kosoku on the basis of the Tohoku Branch's certification of the company under the Regional Areas' *Genki* Program (Clean Innovation).

\* Materials that can be broken down by microorganisms. Biodegradable materials have less of an impact on the natural environment than conventional materials.



Yamagata sales office

### Case Study: AOKISHUZO The Sake Brewery

AOKISHUZO The Sake Brewery Co., Ltd, headquartered in the city of Minamiuonuma, Niigata Prefecture, is a sake brewer that was founded in 1717.

Typical of AOKISHUZO's offerings is *Kakurei*, which is brewed in a special way to retain the fundamental deliciousness of sake but without the sharp, dry finish that is common among Niigata sake varieties.

AOKISHUZO aims to expand its brewing facilities in response to heightened demand, as well as open a restaurant making use of its sake cellar to promote local tourism.

DBJ provided funding to AOKISHUZO on the basis of the Niigata Branch's certification of the company under the Regional Areas' *Genki* Program (Food Industry: Value-Added Rice Products and Services).



Brewery founded in 1717

### Case Study: Kobayashi Kako

Kobayashi Kako Co., Ltd., headquartered in the city of Awara, Fukui Prefecture, is a pharmaceutical manufacturer that primarily handles generic drugs. Against a backdrop of current Japanese government policies promoting the use of generic drugs, Kobayashi Kako has developed pharmaceuticals to meet the needs of medical practitioners. The company has received plaudits for its development of products that are easy for medical facilities to handle and simple for patients to take. Accordingly, the company's products have earned broad-based acceptance in the medical community.

To enable the company to meet growing demand and commence full-fledged production of value-added medical formulations, DBJ provided Kobayashi Kako with financing

to construct a new factory on the basis of the Hokuriku Branch's certification of the company under the Regional Areas' *Genki* Program (Manufacturing Industry: Electronics, Pharmaceuticals, Textiles, Plastics).



Rendering of new plant



## Community Revitalization

### Case Study: Lithium Energy Japan

Lithium Energy Japan, headquartered in the city of Kyoto, was established in December 2007 to develop, manufacture and sell large lithium-ion batteries, such as those used in electric vehicles. The company is jointly financed by GS Yuasa International Ltd., Mitsubishi Corporation and Mitsubishi Motors Corporation.

Demand for lithium-ion batteries is increasing to meet growing demand for their use in electric vehicles, which contribute to reduced CO<sub>2</sub> emissions. DBJ provided financing for Lithium Energy Japan to construct a new facility, the Ritto plant, to expand its lithium-ion battery production

capacity, following certification under the DBJ Development Support Program (*Nihon Genki Program*).



Rendering of Ritto plant

### Case Study: Nichia

Nichia Corporation is a leading manufacturer of luminescent materials with headquarters in the city of Anan, Tokushima Prefecture. Recently, propelled by its successful development of the high-brightness blue light-emitting diode (LED), Nichia has garnered a major share of the global market for LEDs. The company is also a global leader in the manufacture and sale of cathode materials for lithium-ion batteries. Recently, demand for these materials has grown, owing to electricity-saving measures introduced in the aftermath of the Great East Japan Earthquake.

As a long-life, energy-efficient, mercury-free lighting technology, the LED is a promising, environmentally friendly light source. Advancements in brightness and color rendering performance are building momentum for the use of LEDs in backlights for notebook PCs and LCD televisions, with utilization in general lighting and vehicle lighting well under way.

DBJ has extended loans to Nichia to provide financial support for its activities in the manufacturing field that leverage its robust technical capabilities.



LEDs

### Case Study: Kyuden Ecosol

Kyuden Ecosol Co., Ltd., headquartered in the city of Fukuoka, is a wholly owned subsidiary of Kyushu Electric Power Co., Inc. The company consistently designs and constructs total solar power solutions for industrial and public-sector customers in the Kyushu region, including post-installation management services.

Kyuden Ecosol's integrated services involve providing its customers with power generation equipment that is erected within their own facilities, and then providing them with maintenance and operations management services. This approach reduces customers' initial investment and gives them access to solar power without concern for operations management. Going forward, demand is expected to grow, as solar power attracts increasing attention as a major source of renewable energy.

DBJ provided a financing program for Kyushu Ecosol through the collaboration of 11 Kyushu-based regional financial institutions. Employing this program gives Kyuden Ecosol access to expeditious funding under favorable conditions. Also, for financial institutions, the program secures a common ground for the parties, which reduces the administrative burden for both the borrower and the lenders.



Environmentally conscious shopping mall that uses Kyuden Ecosol's services

## Community Revitalization

### Case Study: Fund to Support the Recovery of Small and Medium-Sized Enterprises from the Impact of Infection by Foot-and-Mouth Disease

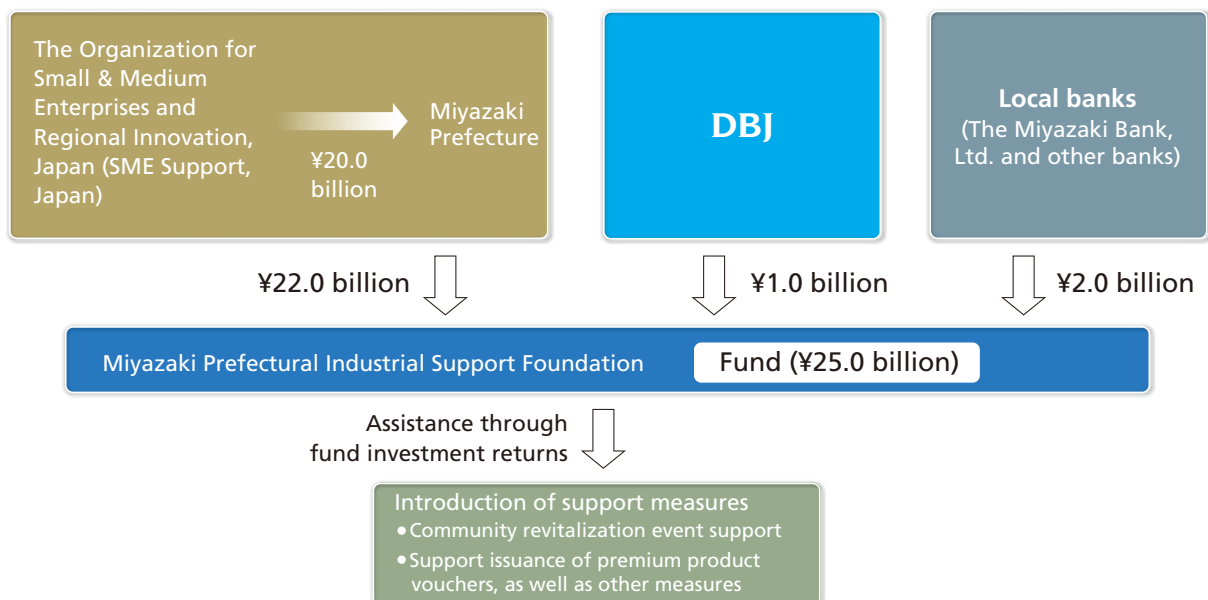
In addition to livestock-related industries, foot-and-mouth disease has a wide-ranging impact on a variety of industries, including tourism. A recent infection by this disease has battered the overall economy of Miyazaki Prefecture.

The Fund to Support the Recovery of Small and Medium-Sized Enterprises from the Impact of Infection by Foot-and-Mouth Disease helps to support recovery from the dam-

age resulting from foot-and-mouth disease by using fund investment returns to invigorate the community and assist businesses to attract visitors from outside the prefecture.

DBJ financed this fund via the Minami-Kyushu Branch, based on the Regional Areas' Genki Program (Food, Health and Environment Industry).

#### ● Overview of the Fund to Support the Recovery of Small and Medium-Sized Enterprises from the Impact of Infection by Foot-and-Mouth Disease



### Case Study: LEC

LEC, Inc., headquartered in Chuo-ku, Tokyo, manufactures and sells everyday and sundry items such as interior, sanitary and kitchen goods, to general merchandise stores and ¥100 shops.

On the strength of the manufacturing and quality control technologies it has accumulated over the years, the company has brought its production of principal products in-house, thereby reducing costs and ensuring a stable supply of products to consumers. This approach has earned the company a strong reputation in the market and from its business partners.

We provided financing to LEC—which in addition to its Shizuoka and Shikoku plants has operations in other parts of Japan and overseas and contributes to regional employment—through the DBJ Development Support Program (*Nihon Genki Program*).



Gekiochi-Kun, which removes stains with only water—no detergent required—and other popular products



## Overseas

Efforts at expansion overseas have become an important factor in Japan's continued growth.

The rapid economic development of Asia in particular, with its notable growth in middle income groups, represents a major business opportunity for Japan, because the region is running up against environmental issues, urbanization-related difficulties and other developmental constraints and growth challenges that Japan has already faced and overcome.

In order for Asia's growth to translate into definite gains for Japan, the country must underpin Asia's rise by sharing with each country the wealth of experience it has gleaned from its own process of economic development. Japan must also mobilize its unique profile of strengths in the fields of the environment and infrastructure to deploy business operations in the rest of Asia in a comprehensive and strategic fashion.

### Case Study: **Senoko Power (now Senoko Energy)**

Senoko Power Ltd. (hereinafter, "SP"; currently Senoko Energy Pte Ltd.) is Singapore's largest power company.

Amid the promotion of deregulation of the electric power industry by Singapore's Energy Market Authority (EMA) and rising concerns about global warming issues, investment to raise efficiency within the approved energy output (repowering) is being recognized as an important management challenge for SP. Given these circumstances, DBJ provided subordinated financing for SP in November 2009, aiming to support the company's projects in light of credit market conditions.

This loan also funded the deployment of a new overseas power business, including retail power sales, undertaken by SP sponsors Kansai Electric Power Co., Inc. (KEPCO) and Kyushu Electric Power Co., Inc., with their energy efficiency

technologies, and Marubeni Corporation, with its expertise in overseas power plant operations.



Senoko Energy power plant

### Case Study: **Saigon Paper**

Saigon Paper Corporation, headquartered in Ho Chi Minh City, Vietnam, is a leading manufacturer of paper, including household paper and paperboard. Saigon Paper, which plays a role in a core industry in Vietnam, was preparing to commence operations of a major plant and looking overseas for capital and business alliance partners.

Through its investment activities, DBJ aims to help Japanese companies that intend to expand their operations overseas with an opportunity for growth in Vietnam, while at the same time supporting business expansion and cultivating industry in Vietnam.

Leveraging the experience and networks it has cultivated in Vietnam, DBJ introduced Daio Paper Corporation as a

potential capital and business alliance partner, provided advisory services and extended joint financing to Saigon Paper.



Saigon Paper products

DBJ aims to realize a more prosperous sustainable society by achieving harmony through the triple bottom line of society, the environment and the economy. We recognize the resolution of environmental problems as an issue that is common to all humankind. For this reason, DBJ has contributed to the formation of an environmentally friendly economic society.

In June 2001, DBJ became the first Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development, promising to

strive for harmony between economic development and environmental conservation and to cooperate in resolving environmental problems. In addition, in November 2002, we acquired ISO 14001 certification. Such efforts indicate our organizational commitment to environmental preservation and the realization of a sustainable society.

At present, we are pursuing independent initiatives and promoting environmental efforts in the communities where our branches and offices are located.

## DBJ's Basic Environmental Policy

Promulgated and Put into Effect October 1, 2008

### Purpose

Article 1. DBJ aims to realize a more prosperous sustainable society by achieving harmony through the triple bottom line of society, the environment and the economy. We recognize the resolution of environmental problems as an issue that is common to all humankind. For this reason, DBJ has established a policy that aims to contribute to the formation of an environmentally friendly economic society.

### Promotion of Environmental Measures through Loan and Investment Activities

Article 2.

1. Through its investment and loan activities, DBJ supports global warming prevention measures and the promotion of a recycling-oriented society. In addition, by supporting environmentally sustainable corporate management by its clients, DBJ contributes to their creation of environmental measures and to the realization of a sustainable society.
2. DBJ contributes to clients' environmental measures through the risk evaluations of investment and loan activities from an environmental perspective.

### Promotion of Environmental Awareness through Environmental Communication

Article 3.

1. Through continuing research and advisory activities relating to environmental issues, DBJ seeks to help resolve environmental issues

through enhanced awareness, thereby contributing to the realization of a sustainable society.

2. DBJ seeks to promote environmental awareness through international cooperation, including the distribution of information about environmental initiatives by Japan.
3. DBJ endeavors to improve its initiatives by sharing information on its environmental activities and through communication with society.

### Promotion of Environmental Awareness Activities in Offices

Article 4. DBJ complies with environmental laws and regulations, and promotes activities to reduce the environmental impact of its operations. To these ends, DBJ seeks to contribute to the creation of environmentally friendly office environments through the activities indicated below.

- (1) Promotion of resource and energy conservation and recycling activities
- (2) Promotion of environmentally friendly sourcing of supplies
- (3) Prevention of environmental pollution

### Promotion of Environmental Awareness Activities in Communities

Article 5. By cooperating with community environmental improvement initiatives, such as measures to prevent heat islands, DBJ works to contribute to the creation of environmentally friendly regional societies.

## Putting into Practice DBJ's Basic Environmental Policy

### Promotion of Environmental Measures through Our Investment and Loan Services

DBJ's investment and loan activities support projects designed to prevent global warming and create a recycling-based society. Furthermore, we promote clients' efforts toward environmentally conscious management. By contributing to clients' environmental measures, we help to achieve a sustainable society.

- Financing Employing DBJ Environmental Ratings – See pages 48, 80-81.
- DBJ Green Building Certification Program – See pages 50 and 79.

### Promotion of Environmental Awareness through Environmental Communication

DBJ addresses environmental problems by conducting ongoing environmental studies and proposals. These efforts help to enhance environmental awareness, support involvement in environmental issues and contribute to the realization of a sustainable society.

- Communication Focused on the Environment – See page 72.
- Communication to Community Revitalization – See page 72.
- Communication in International Cooperation – See page 73.

## Promotion of Environmental Awareness Activities in Offices

DBJ works to reduce the environmental impact of its operations beyond what is required by environmental regulations. As such, we promote the measures described below in an effort to make our offices environment-friendly.

- Promotion of recycling and resource and energy conservation

### • Resource- and Energy-Saving Efforts

	Year Ended March 31, 2009	Year Ended March 31, 2010	Year Ended March 31, 2011
Copy and printing paper usage (kg)	101,269	95,992	<b>93,189</b>
Waste emissions (kg)	85,860	76,030	<b>61,610</b>
Energy consumption (kWh)	4.94 million	4.82 million	<b>4.50 million</b>
Water usage (m <sup>3</sup> )	25,257	24,856	<b>25,411</b>

Note: Head office building only

- Promotion of environment-friendly sourcing of supplies

DBJ joined the Green Purchasing Network in December 2000, and following the Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Green Purchasing Act), which went into effect in April 2001, DBJ made efforts to purchase products and services with a lower environmental impact. We have continued to practice green purchasing following our privatization.

### • Achievements of the Green Procurement Program for Typical Items

	Year Ended March 31, 2011
Paper	99.3%
Stationery	93.3%
Equipment	100.0%
Office equipment	95.7%
Lighting	70.3%
Interior items	100.0%

Note: Excludes printing paper, media cases, labels, and other items that were purchased on the market that do not comply with the prescriptions of the Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities but that were purchased nevertheless on the basis of certain characteristics or functional requirements.

- Prevention of environmental pollution

DBJ complies with environmental laws and regulations.

## Promotion of Environmental Awareness Activities in Communities

By cooperating in community environmental improvement initiatives, such as measures to prevent heat islands, DBJ works to contribute to the creation of environment-friendly regional societies.

### • Head Office

#### Uchimizu Project 2010

DBJ participates in the Uchimizu Project 2009, a campaign hosted by the Otemachi, Marunouchi and Yurakucho (OMY) Uchimizu Project District Executive Committee



(Otemachi-Marunouchi-Yurakucho District Redevelopment Project Council/Cooperative for the Promotion of the OMY Area Management Association), Ministry of the Environment, Tokyo Metropolitan Government and Chiyoda-ku. DBJ is continuing with its participation in the Uchimizu Project 2010.

#### Volunteers planting seedlings and flower bulbs

Volunteers planting seedlings and flower bulbs



Regional entities, companies and other organizations form agreements concerning certain public facilities, such as the

roads, parks and other facilities managed by national and other government bodies. Under these agreements, organizations adopt public property, which they take responsibility for managing and cleaning. DBJ participates on an ongoing basis in such a program in Tokyo's Chiyoda-ku, the CAPPS in Tokiwabashi Park.

### • Tokai Branch

#### Flower Hospitality Exercise

The branch has participated in the Flower Hospitality Exercise, sponsored by the Chubu Association of Corporate Executives, since its initiation in 2005. In fiscal 2010, the Tokai Branch continued its efforts toward building a beautiful town, through such activities as watering flower beds in the Sakura-dori Otsu area of Nagoya.



## • Kansai Branch

### Kansai Eco Office Declaration

Registered since 2008, the “Eco Office Declaration” calls for (1) a summer “eco style,” (2) enforcing energy saving, (3) promoting green purchasing, (4) curbing automobile use and (5) engaging in waste recycling.

## • Shikoku Branch

### Forest-thinning activities

We continue to participate in forest-thinning activities conducted in collaboration with the town of Inomachi, Kochi Prefecture, and Mitsui & Co., Ltd.



### Earth-Friendly Office

In fiscal 2009, we registered with the “Earth-Friendly Office” program created by the city of Takamatsu’s environmental department. We continued these activities in fiscal 2010, and are making efforts to (1) curb paper consumption, (2) promote the use of recycled products, (3) raise employee awareness of resources and waste reduction, (4) save energy and water and (5) regulate office air at an appropriate temperature.



## • Kyushu Branch

### Cleanup/beautification activity—Tenjin Clean Day

We participated in the Tenjin Clean Day activity sponsored by the We Love Tenjin conference and helped to clean up the area.



## • Minami-Kyushu Branch

### Sakurajima cleanup project

We continue to participate in the cleanup of the recreation area on Sakurajima’s coastline.



### Other efforts

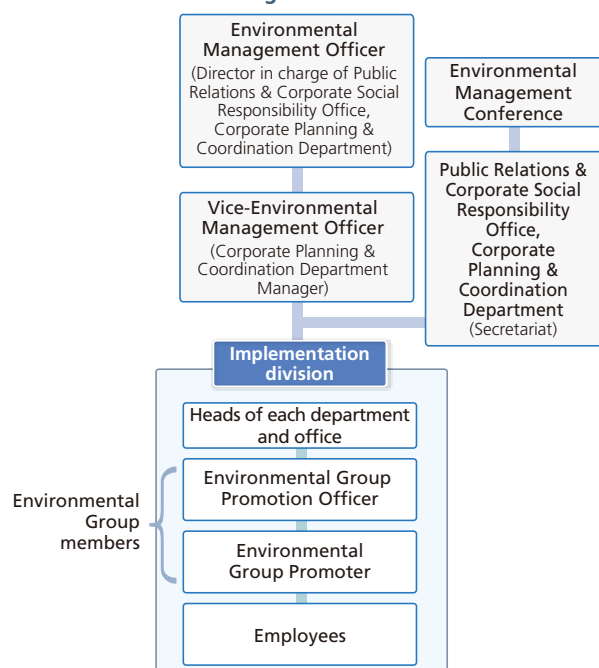
We continue to participate in “Candle-Night” (using candles rather than electric lights) at the waterfront commercial facilities and *uchimizu* (sprinkling water to reduce heat) at environmental learning facilities.

## • Other Branches

We implement initiatives such as collecting used postage stamps and PET bottle caps for donation. We also have employees bring their own chopsticks and cups to work to reduce waste.

## Environmental Management Conference

### • Environmental Management Structure



DBJ has set up the Public Relations & Corporate Social Responsibility Office within the Corporate Planning & Coordination Department. This office spearheads environmental management activities attended by all executives and employees.

### Environmental Management Officer

The Environmental Management Officer is assigned to the Public Relations & Corporate Social Responsibility Office in DBJ’s Corporate Planning & Coordination Department. The officer confirms environmental education and training and authorizes annual environmental targets.

### Environmental Management Conference

The Environmental Management Conference deliberates annual environmental targets and environmental management reviews.

## Public Relations & Corporate Social Responsibility Office, Corporate Planning & Coordination Department

In charge of DBJ's environmental management activities is the Public Relations & Corporate Social Responsibility Office, Corporate Planning & Coordination Department. In addition to setting environmental targets for each fiscal year and confirming the degree to which established targets have been achieved, this office manages compliance with relevant laws and regulations.

## Environmental Group Promotion Officer

To promote environmental management activities, the Environmental Group Promotion Officer and Environmental Group Promoter designate a member in each branch and department to be in charge of environmental promotion and manage the level of achievement of annual environmental targets.

## Employees

Employees are responsible for putting environmental management activities into action.

## DBJ's Primary Achievements in the Environmental Sector since Its Establishment

1999	October	Designation of sustainable development as an objective by the Development Bank of Japan Act (Act No. 73 of 1999)
2001	April	Start of green procurement and environmental training
	June	First Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development
	October	Establishment of Social Environment Committee and Social Environment Group; hosting of discussions between UNEP and Wa no Kuni Financial Institutions on Environmental Considerations for Financial Institutions
2002	March	UNEP FI 2002 Global Roundtable in Rio de Janeiro, Brazil
	July	Launch of the Development Bank of Japan Environmental Policy
	November	ISO 14001 certification
2003	October	Publishing of <i>Environmental Report 2003 for a Sustainable Society</i> (first annual edition)
	October	Joint sponsorship of UNEP FI 2003 Global Roundtable in Tokyo, an international conference on finance and the environment
2004	April	Start of Financing Employing DBJ Environmental Ratings
	September	Second annual <i>Sustainability Report</i>
	November	Japan Carbon Finance, Ltd. (JCF) established
	December	Japan Greenhouse Gas Reduction Fund (JGRF) established
2005	January	Assumption of chair of the UNEP FI Asia Pacific Task Force
	September	Third annual <i>Sustainability Report</i>
	October	UNEP FI 2003 Global Roundtable
	November	Renewal of ISO 14001 certification
2006	May	Press conference to announce DBJ status as a signatory institution to the Principles for Responsible Investment
	August	<i>CSR Report 2006</i> (fourth annual <i>Sustainability Report</i> )
2007	July	<i>Annual Report &amp; CSR Report</i> (integrated annual report and CSR report)
2008	October	First Board of Directors and Management Committee meetings of Development Bank of Japan Inc.; formulation of Basic Environmental Policy and Environmental Management Regulations
2009	March	First Environmental Club Syndicated Loan <i>ECONOWA</i>
	April	Commendation for Financing Employing Environmental Ratings system: Environmental Development Award
	September	Start of cooperation with regional financial institutions to prepare a system to implement Financing Employing Environmental Ratings
2010	January	Basic cooperative agreement with the International Finance Corporation (World Bank Group financial institution conducting the world's largest international investment and loan activities for developing countries)
	April	Business cooperation agreement to promote environmental measures with a non-life insurance company
	December	Selected as a designated financial institution under the Bill on the Promotion of Businesses to Develop and Manufacture Energy and Environmentally Friendly Products ("Low Carbon Investment Promotion Act")
2011	April	Established the DBJ Green Building Certification program



DBJ considers its human resources to be its most valuable assets and thus endeavors to develop its employees' capabilities. DBJ actively works to build a systematic human resource development system and a comfortable work

environment to bring out the best in every employee. The superior employee performance resulting from such efforts is what drives DBJ ahead on a daily basis and keeps it an innovator, blazing the trails that Japan needs to follow.

## Human Resource Development Vision

DBJ has evolved significantly and developed its independence and creativity in line with the needs of the times in order to maintain its leadership position.

To develop its human resources, DBJ promotes autonomous and pioneering behavior in its employees as financial professionals through the vision of generalists who can be

specialists in many fields. Responding to society's constantly changing demands requires broad experience, deep knowledge and the ability to see the big picture, as well as gaining specialist knowledge. DBJ has therefore created a human resource development system that incorporates job rotation, performance evaluation, formal education and training.

## Deploying the Target Management System

DBJ has introduced a Target Management System to encourage employees to work autonomously and proactively to develop their abilities and accurately evaluate such initiatives. DBJ is working to enrich this system by having subordinates meet individually with superiors to set goals and receive feedback, autonomously running through the

Plan-Do-Check-Act (PDCA) cycle. Particularly through its encouragement of goal-setting, DBJ emphasizes enhancing medium- and long-term value both internally and externally. DBJ also motivates employees by offering bonuses and other benefits based on operating performance.

## Creating a Comfortable Work Environment

DBJ actively strives to cultivate a comfortable work environment.

To maintain an environment in which all employees can feel secure, DBJ has notified employees of its policy to prevent sexual and power harassment and has set up a hotline to deal with such issues. Furthermore, to support mental and physical health, DBJ provides its employees and their families with regular medical examinations and care options. These systems include treatment by external specialists and access to counselors.

DBJ has also instituted childbirth, childcare and nursing care leave programs to give motivated employees better opportunities for long-term employment, as well as a system for continued employment options after retiring from full-time work.

On October 18, 2010, the Tokyo Labour Bureau recognized DBJ as having achieved the objectives of its general business operator action plan (from April 1, 2005, to March 31, 2010), based on the Act on Advancement of Measures

to Support Raising Next-Generation Children as a company that provides child-rearing support. Specific grounds for this approval included (1) the promotion of spousal support for childbearing through special leave and childcare leave, (2) measures to ensure time for child-rearing and (3) measures to promote the taking of annual paid vacation.



DBJ has received next-generation Kurumin certification for its efforts to counter the falling birthrate, including recognition as a company that provides active support for child-rearing.



## A Solid Human Resource Development System

DBJ's financial professionals are supported by a well developed education and training system. A combination of mandatory training by level and elective self-training according to skills and interests enables each employee to plan his or her career and support DBJ's initiatives in innovative finance.

In fiscal 2008, we established the DBJ Financial Academy, which is designed to help employees acquire and maintain basic competencies and deepen their understanding of finance, assuming they will become involved in advanced financial operations. We are expanding the academy, focusing on courses such as Corporate Finance, Investment Theory and M&A.

Regardless of age, employees undergo on-the-job training, which provides hands-on exposure to work that bears responsibility. In addition, after experiencing employment in

multiple departments employees are trained for highly specialized positions, according to their skills and backgrounds. This system of strategic job rotation enables employees to not only gain broad-based practical experience that gives clarity to their medium- to long-term career goals but also provides an environment for quickly and firmly acquiring and improving their highly specialized skills.

In step with globalization, DBJ cultivates employees able to perform in domestic and international settings. To achieve this, DBJ actively assigns employees to a wide variety of external organizations, including overseas graduate schools (program currently being expanded), domestic and overseas research institutes, international institutions, related government agencies and corporations, thereby supporting skill development and network extension.

### ● DBJ's Human Resource Development System

Training by Level		Business-Related Training				Business-Related (Self-Training)		External Assignments, etc.			
Position ↑		Top management training					Distance learning, night courses, acquiring public qualifications, etc.	External seminars, lectures, etc.			
	Life plan training	Management training	<ul style="list-style-type: none"><li>•Training in middle- and back-office operations involving investments and loans</li><li>•Training in debt management, etc.</li></ul>	<ul style="list-style-type: none"><li>•Compliance training</li><li>•Training in financial act, etc.</li></ul>	<ul style="list-style-type: none"><li>•Accounting</li><li>•Basics of Tax, etc.</li></ul>	<ul style="list-style-type: none"><li>• Valuation</li><li>• Financial Modeling</li><li>• M&amp;A</li><li>• Real Estate Finance</li><li>• Relationship Management</li><li>• Business Revitalization</li><li>• Environmental Rating System Seminars</li><li>• Disaster Preparedness Rating Seminars, etc.</li></ul>			Common skill areas <ul style="list-style-type: none"><li>•Problem solving and communication</li><li>•Logical thinking</li><li>•English conversation</li><li>•Business comportment, etc.</li></ul>	Domestic and overseas exchange students, trainees, etc.	
	Career development plan training										Manager training
	Secondary training after joining DBJ					<div>DBJ Financial Academy<ul style="list-style-type: none"><li>• Basic Corporate Finance</li><li>• Basic Investment Theory</li><li>• Basic M&amp;A</li><li>• Overview of International Financial Reporting Standards, etc.</li></ul></div>					
Introductory training for new employees		<div>Rating and asset assessment training</div> <div>Systems related to investments and loans</div>	<div>Documentation</div> <div>Basic Legal</div>	<div>Financial analysis training<ul style="list-style-type: none"><li>• Bookkeeping and Accounting</li><li>• Company Analysis</li><li>• Case Studies</li></ul></div> <div>Basic finance training<ul style="list-style-type: none"><li>• Interest Rate Basics</li><li>• Basic Derivatives</li></ul></div>							
Autonomous career track	Cultivation of management and leadership skills	Mastery of DBJ procedures and basic processes	Mastery of finance and law	Acquisition of financial accounting knowledge	Strategic and focus areas, such as financial skills	Mastery of basic business execution skills	Acquisition of business-related knowledge	Cultivation of work-related knowledge, mastery of specialized knowledge, HR development			
Planned and continuous HR development		Mastery of knowledge and skills needed for work			Addressing strategic and focus areas	Mastery of knowledge and skills needed for work					

## Seeking Higher Ethical Standards

For half a century, DBJ has led Japan's economy as a general policy-based financial institution. As DBJ transforms into a private-sector financial institution that still values the long-term perspective, neutrality, public-mindedness and reliability it has cultivated, each employee is being held to a higher ethical standard.

DBJ has long desired that its employee training address

issues of human rights in addition to ensuring legal compliance, promoting eco-friendly conduct (through environmental management training) and maintaining information security (through training to prevent fraudulent access and information leaks). DBJ will henceforth devote even more resources toward such efforts.

## DBJ Financial Academy

Since May 2008, the DBJ Financial Academy typically has held weekly courses with the objective of raising the level of financial expertise of second-year employees throughout the organization by strengthening the knowledge and understanding that is essential to the advanced corporate financial business to realize DBJ's business model. During fiscal 2010, courses covered Basic Financial Theory, Corporate Finance, the Financial Instruments and Exchange Act and Real Estate Finance.

Through the DBJ Financial Academy, each employee can seek to elevate his or her abilities in finance, whether aiming to acquire basic knowledge or to further deepen understanding. Students from outside DBJ, such as employees of regional financial institutions, may also participate. We look forward to expanding the fields in which DBJ's financial expertise is shared.



### • DBJ Financial Academy Curriculum

**2010 Courses** (May 2010 through January 2011)

#### Core courses

- Basic Financial Theory
- Overview of International Financial Reporting Standards
- Corporate Finance I
- Investments (Investment Theory)
- M&A
- Special Lecture: "Financial Policy"
- Japan Economic Research Institute (JERI) and University of Tokyo Joint Symposium
- International Finance
- Financial System Theory

#### Elective courses

- Financial Instruments and Exchange Act
- Basic Statistics Course
- Real Estate Finance
- Corporate Finance II

**2011 Courses** (Expected to run from May 2011 through January 2012)

#### Core courses

- Introduction to Modern Finance
- International Finance
- Special Lecture: "Financial Policy"
- Basic Corporate Finance
- Basic Investment
- M&A

#### Elective courses

- Business Statistics
- Financial Instruments and Exchange Act
- Real Estate Finance
- IFRS Accounting: Foundations and Practice
- Insolvency and Corporate Reorganization
- Corporate Finance Practice