

January 13, 2016

Japan Wind Development Co., Ltd. and Development Bank of Japan Inc.
Agree to Joint Financing of Large-Scale Wind Power Projects via the
Japan Wind Development Joint Fund*

Japan Wind Development Co., Ltd.
Development Bank of Japan Inc.

Japan Wind Development Co., Ltd. (Masayuki Tsukawaki, Representative Director/President; “JWD”) and Development Bank of Japan Inc. (Masanori Yanagi, President & CEO; “DBJ”) have agreed to establish the private-placement Japan Wind Development Fund* based on a tokumei kumiai (TK) investment agreement. The fund will acquire and jointly manage the operational wind power generation facilities now owned by JWD and its affiliates, which have a maximum total capacity of 200 MW. Plans call for the JWD corporate group to retain responsibility for the operation and maintenance of its wind farms after the fund is launched in April of this year,.

With a low rate of energy self-sufficiency and CO₂ emissions targets to meet, Japan is eager to expand its use of renewable energy. Wind power, one of the most cost-competitive of renewables and with great potential for growth, is key to stimulating Japan’s renewable energy business and encouraging the introduction of renewables. JWD and DBJ will be cooperating in the nation’s first capital recycling model in an effort to expand the use of wind power in Japan. Under this framework, JWD will sell to the fund a number of its wind power facilities currently in operation, and by this means recover of a portion of its invested capital. JWD will reinvest this capital in the development of new wind farms and other wind power projects, resulting in greater recycling and capital efficiency in the business.

JWD is a pioneer in the wind power industry with more than 15 years as a wind farm operator and more than 20 years as a developer of new wind power facilities. Technologically sophisticated and with a sound competitive advantage, the firm has about 500 MW in new wind power projects. With existing generation capacity removed from its balance sheet by the new fund, the group will be better positioned to improve capital efficiency and promote new development projects in the years to come.

* Tentative name.

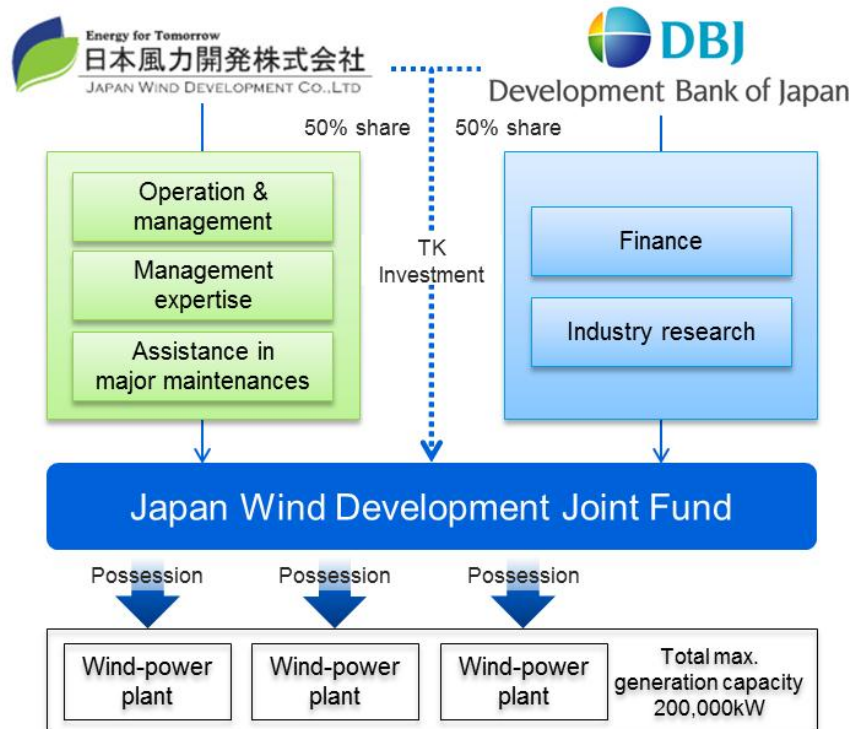
DBJ is a longtime supporter of renewable energy initiatives. In recent years in particular, it has promoted the introduction of renewables by supplying risk money to wind power projects at home and abroad, and to mega-solar and biomass generation projects as well. Major investments will be needed in order for Japan to achieve the renewable energy targets set for 2030 in the government's Long-term Energy Supply and Demand Outlook of July 2015. DBJ sees the promotion of capital recycling programs throughout the renewable energy field as an important means of giving financial support to proprietors wishing to speed up investment and reduce project costs.

Signs point to increasing demand for investment in renewables. By providing long-term investment opportunities to institutional investors, DBJ will play an active role in capital recycling while maintaining its own functions as an investor.

Outline of the Fund

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| Name (<i>tentative</i>): | Japan Wind Power Joint Fund Co., Ltd. |
| Fund size: | Approx. JPY 50 billion |
| Tokumei kumiai investors: | DBJ and JWD |
| Planned investment period: | Until the conclusion of electricity sales by each generation facility |
| Capitalization: | JPY 10 million |
| Shareholders: | JWD (50%), DBJ (50%) |
| Location of headquarters: | Chiyoda-ku, Tokyo (planned) |

Scheme



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