

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.

Implementing CSR Management	73
CSR through Investment, Loan and Other Businesses ..	78
Environmental Management	101
Business Continuity Plan (BCP)	104
Fostering Human Resources and Creating a Comfortable Work Environment	106

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, 2011, to March 31, 2012

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

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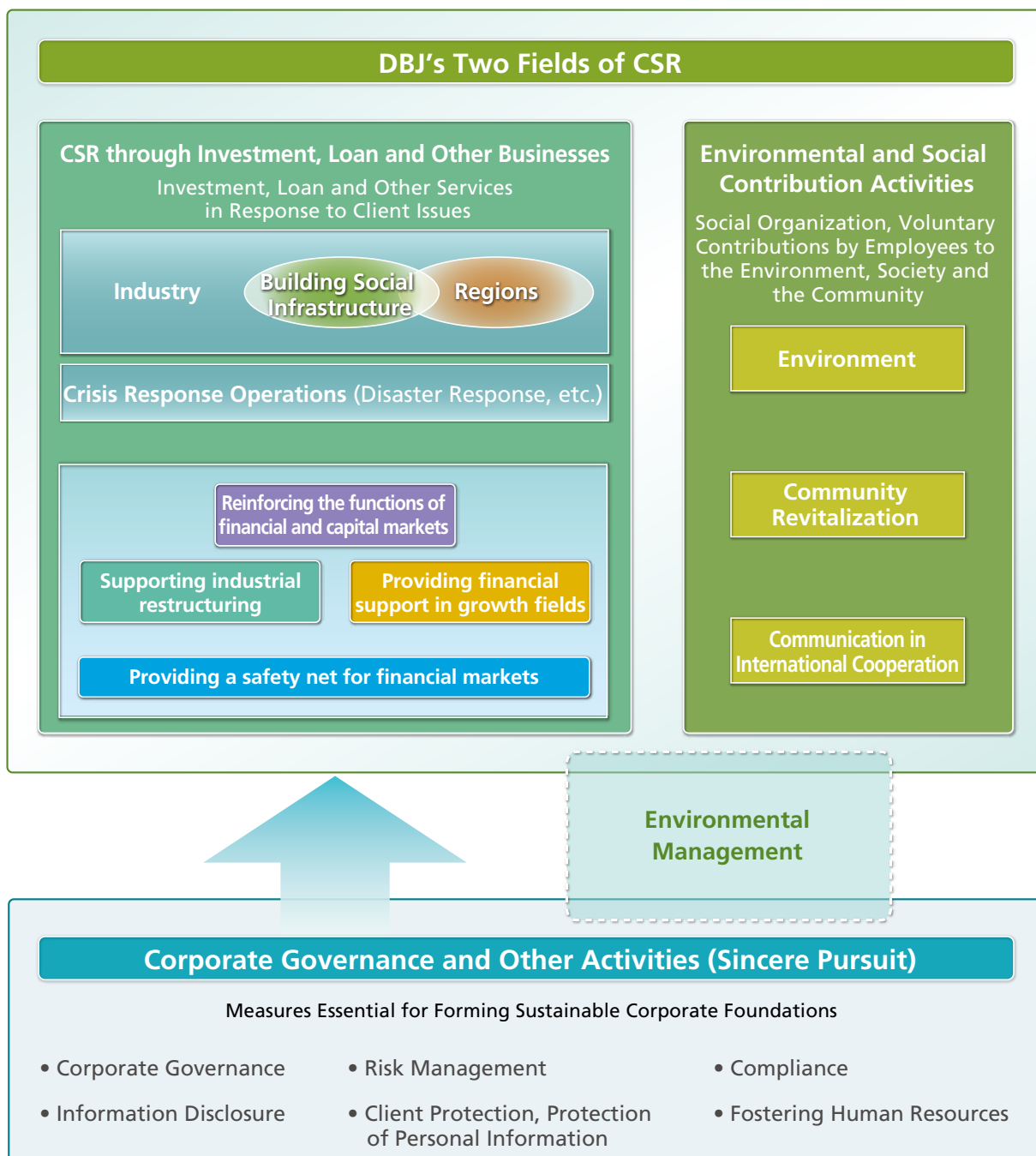
Reference Guidelines

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

Implementing CSR Management

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.

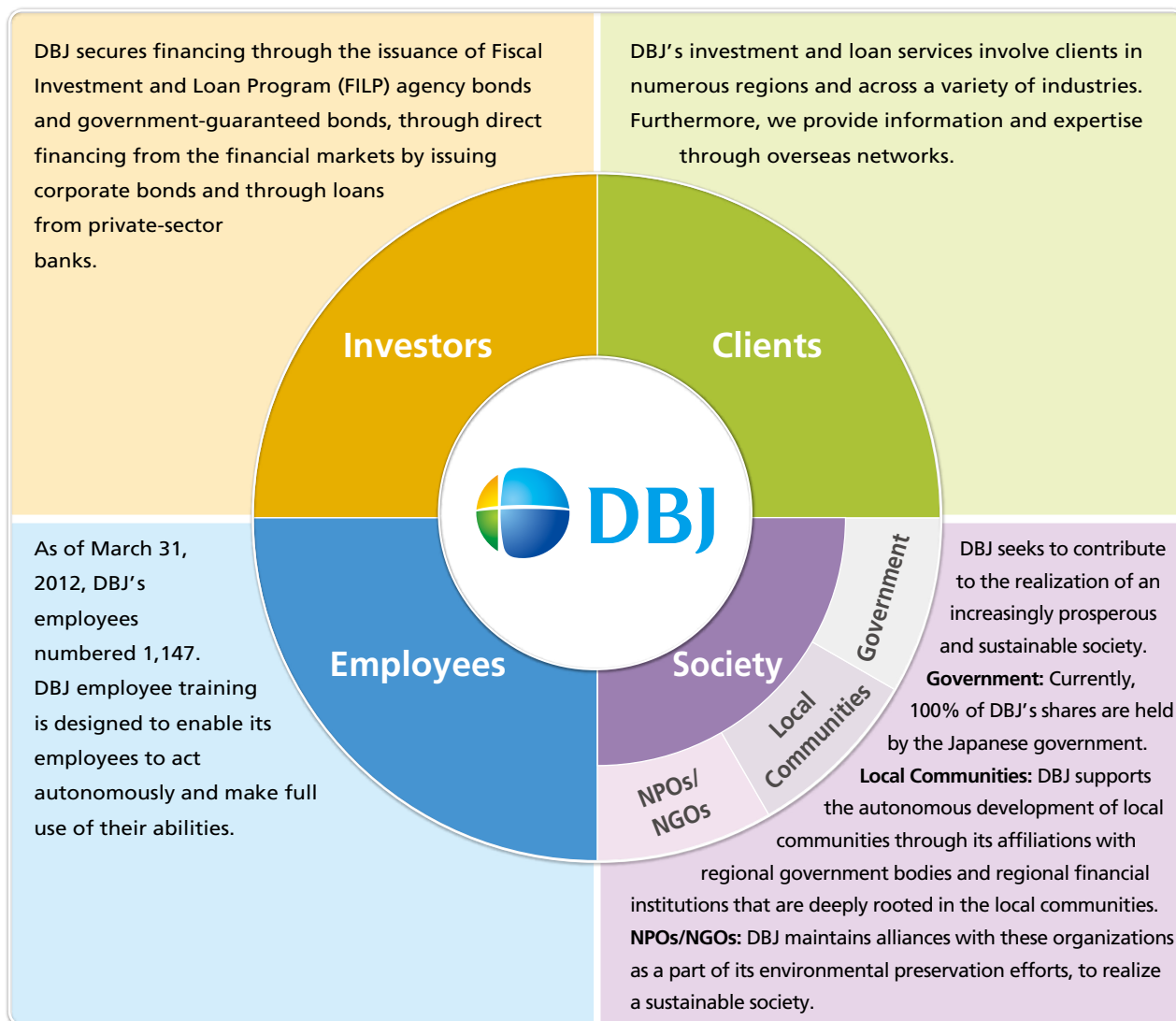
Fields of CSR Implementation at DBJ



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.

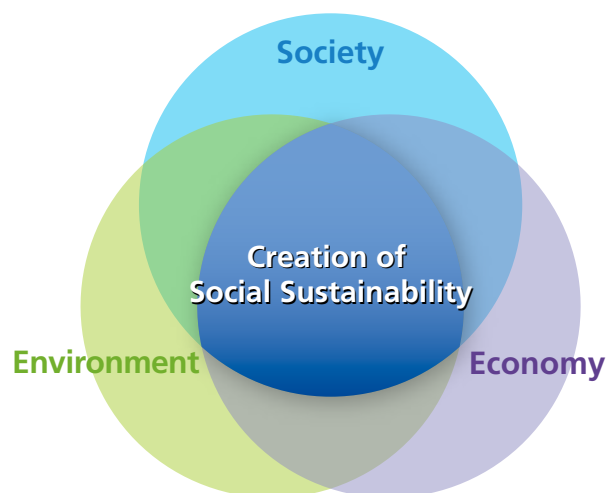
DBJ strives to increase its dialogue with stakeholders in its effort to realize a sustainable society.



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

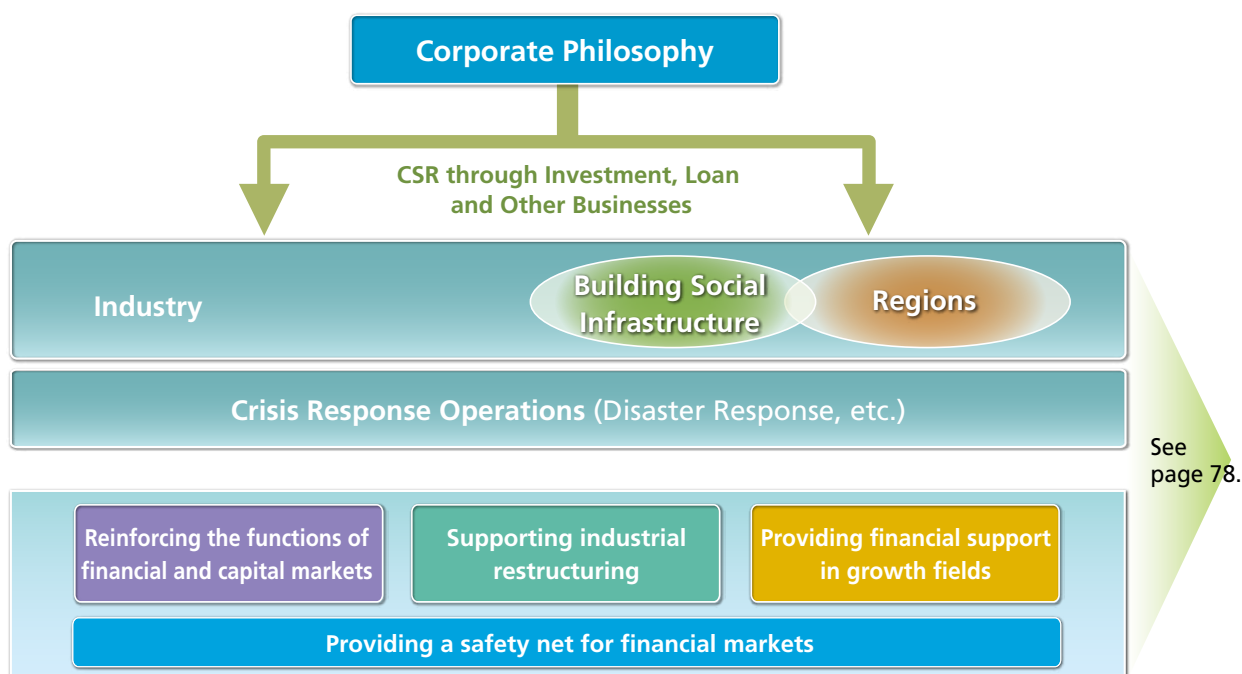
Due consideration of compliance issues is a prerequisite for the sustainable development of enterprises. Accordingly, it is important that a corporation's business activity brings new value to, contributes to problem-solving in, and gains the trust of society.

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 the DBJ Environmentally Rated Loan Program and the DBJ Enterprise Disaster Resilience Rated Loan Program. In fiscal 2011, this year we also lectured on the theme of "New Trends in Environmental Financing," attracting numerous visitors to our booth.

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.



"Eco Presentation Stage"
(Eco-Products 2011)

*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, Environmental Business Women 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 on 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.

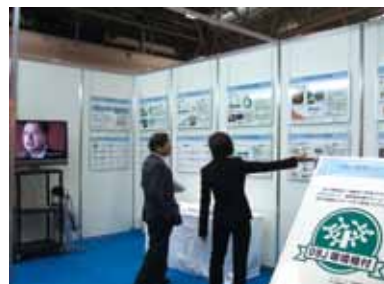
In our Regional Health Checks, we discuss objective indicators and original analytical methods with residents and help them identify their community's issues and potential. DBJ employees interview community stakeholders in advance, study the region's resources and, on the final day, hold a participatory workshop with residents. (See page 56.)

Tokai Branch

Messe Nagoya

Messe Nagoya 2011 was held to carry forth the philosophies of the 2005 World Exposition, Aichi, Japan (in the areas of the environment, science and technology, and international cooperation).

DBJ's initiatives were introduced at this exposition, including the environmentally related DBJ Environmentally Rated Loan Program and disaster preparedness related DBJ Enterprise Disaster Resilience Rated Loan Program.



Messe Nagoya 2011

Communication in International Cooperation

DBJ holds seminars for developing countries' governmental and developmental financial institutions, primarily those in Asia, describing the Bank's experience in applying policy-based financing to support the reconstruction and growth of the industrial economy of postwar Japan. Participants also benefit from our accumulated expertise in 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. Furthermore, through collaboration with such

institutions as the World Bank and the Japan International Cooperation Agency, we provide comprehensive technological cooperation to such banks as China Development Bank and the Infrastructure Development Bank of Malaysia. Notable in 2011 were such projects as one to support credit risk management at Vietnam Development Bank (annually since 2008) and a detailed design project for the Development Bank of Mongolia (since 2009) in response to requests from their respective governments.

DBJ is a member of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP, based in Manila, the Philippines), and since 1976 we have been networking with financial institutions from China, South Korea, ASEAN countries, India and other areas. In 2012, the meeting was held in Istanbul, Turkey. We received an ADFIAP Award related to our activities on the Great East Japan Earthquake Reconstruction Fund, providing us with an opportunity to describe Japan's recovery from the disaster and future growth plans in an overseas forum.



Presentation of the ADFIAP Award

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 2011 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 2012, DBJ's contributions totaled ¥733,320—enough to provide 36,666 meals.

*TABLE FOR TWO is a program run by the non-profit 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

CSR through Investment, Loan and Other Businesses

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



Case Studies

• Energy	79	• Restructuring and Revitalization	90
• Transportation.....	81	• M&A and Business Alliances	92
• Urban Development	82	• Private Finance Initiatives	93
• DBJ Green Building Certification	83	• DBJ Enterprise Disaster Resilience Rated Loan Program	94
• DBJ Environmentally Rated Loan Program.....	84	• Community Revitalization	95
• Environmental Technology	86	• Overseas	99
• Healthcare and Welfare	87	• Great East Japan Earthquake Response Operations ..	100
• DBJ Employee's Health Management Rated Loan Program	89		

Energy

Varied energy usage is essential to ensure the long-term, stable supply of energy. Also, 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: Soma Kyodo Power

Soma Kyodo Power Company, Ltd., headquartered in the city of Soma, Fukushima Prefecture, operates a thermal power generation plant and is a wholesale supplier of electricity.

Although the company's power plant and other facilities were heavily damaged in the Great East Japan Earthquake, quick recovery efforts on damaged facilities to secure the stable supply of electric power enabled the resumption of electric power generation in December 2011.

DBJ arranged recovery financing in the form of a syndicated loan to the Soma Kyodo Power Company for its Shinchi power plant, located in Shinchi-machi, Fukushima Prefecture, which was damaged in the Great East Japan Earthquake.



Power plant before the earthquake



Coal unloader after the earthquake



Coal unloader repaired after the earthquake

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 (Kunitomi 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 Kunitomi Plant

Energy

Case Study: INPEX

INPEX Corporation, headquartered in Minato-ku, Tokyo, is Japan's largest oil and natural gas development company. It was founded in October 2008 through a merger between the previous INPEX, a leading oil and natural gas development company overseas, and Teikoku Oil Co., Ltd., a pioneer in oil and natural gas development in Japan.

INPEX is constructing a liquefied natural gas (LNG) acceptance base in Naoetsu Port (in the city of Joetsu, Niigata Prefecture) scheduled to begin operations in 2014. INPEX is planning to receive LNG produced by Ichthys LNG Project (Australia) and Abadi LNG Project (Indonesia) at this LNG acceptance base, using the company's existing natural gas pipeline network to distribute LNG vapor to areas mainly in the Kanto-Koshinetsu region. INPEX plans on promoting business aggressively to create a global gas supply chain.

DBJ provided financing to INPEX to ensure sufficient natural gas provision capabilities over the medium to long term and support stable gas provision.



Naoetsu LNG acceptance base under construction

Case Study: Seajacks International

Seajacks International Ltd. (hereinafter, "SJ," headquartered in Great Yarmouth, Norfolk, England), established in 2006, owns and operates offshore wind power generator installations. SJ, a leading company in its industry, is engaged in the installation of wind power generator turbines and related equipment (using specialized wind power installation vessels, "self-propelled jack-up vessels,") as well as in maintenance services for offshore oil and gas platform facilities.

The offshore wind power business has been growing rapidly under measures promoted by European governments mainly in countries near the North Sea. The demand for installations using SJ's specialized vessels in particular has been extremely high.

DBJ, along with Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, ING Bank N.V. and Swedbank AB (publ), provided LBO financing for the acquisition of SJ by Marubeni Corporation and Innovation Network Corporation of Japan. In terms of financing this project, DBJ assessed (1) the

growth potential of the offshore wind power generation market, (2) the growth potential of the installation business using specialized vessels (with particular consideration of the high performance and operating capabilities of SJ's specialized vessels) and (3) how the exchange of shares with Marubeni Corporation would add experience and expertise in power generation operations and maintenance to SJ's operating base.



Seajacks Leviathan

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: Shin Nihonkai Ferry

Shin Nihonkai Ferry Co., Ltd., headquartered in Osaka, was established in June 1969 and is one of Japan's leading long-distance ferry operators engaged in the cruise and hotel business with regular service on four routes between Honshu and Hokkaido.

Shin Nihonkai Ferry will replace two vessels, the *Suzuran* and *Suisen* (17,300 tons total), which provide service on the main route between Tsuruga and Tomakomai. The new ships will be equipped with the hybrid CRP-POD system* and exhaust fume power generators to reduce energy consumption. This design contributes to the reduction of environmental burdens compared to the older vessels.

DBJ arranged financing for the construction of new vessels by assembling a syndicated loan to Shin Nihonkai Ferry.

* A combination of electric POD and conventional diesel engine propulsion systems. The electric POD system combines propulsion via the combination of an outboard electric motor and propeller that can be turned 360 degrees, providing superior handling in harbors or when maneuvering around docks.



The *Suzuran*

Case Study: Japan Aeroforge

Japan Aeroforge, Ltd., headquartered in Chuo-ku, Tokyo, is a manufacturer of large forgings for use in aircraft and power plants created as a joint venture between Kobe Steel, Ltd., and Hitachi Metals, Ltd., Japan's leading raw materials manufacturers, and IHI Corporation and Kawasaki Heavy Industries, Ltd., Japan's leading aircraft engine manufacturers.

The aircraft industry is a growth area where demand is forecast to expand across the globe, and has been positioned as an area that needs strengthening in terms of the Japanese manufacturing industry's overall growth. Japan Aeroforge will install Japan's first 50,000 metric ton forging press. This will facilitate a stable domestic supply of large forgings that up to now had to be procured from overseas in an attempt to create a domestic market in the high value-added raw materials area and strengthen technological capabilities.

DBJ arranged financing in the form of a syndicated loan totaling ¥16 billion assembled with The Chugoku Bank, Ltd., Tomato Bank, Ltd., and local banks in Okayama Prefecture, where the Japan Aeroforge plant is located.



Plant exterior (conceptual rendering)

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., headquartered 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 Skytree®, the world's tallest free-standing broadcasting tower, this is a large-scale urban redevelopment project in the Tokyo Skytree Station/Oshiage area. Located in the area connecting Narihira-bashi and Oshiage stations, Tokyo Skytree® is the key property in a development that includes 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 Skytree®. 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 Skytree's vicinity.



Tokyo Skytree®, which began 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.



Conceptual rendering

DBJ Green Building Certification

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 not only is economical but also incorporates consideration for the environment and society.

Case Study: **Hulic & Nippon Tochi-Tatemono**

DBJ conferred DBJ Green Building Certification to Sendai First Tower, located in the city of Sendai, Miyagi Prefecture, and co-built by Hulic Co., Ltd., headquartered in Chuo-ku, Tokyo, and Nippon Tochi-Tatemono Co., Ltd., headquartered in Chiyoda-ku, Tokyo. The building was granted Gold certification as a property that exemplifies high environmental and social awareness.

Sendai First Tower, completed in June 2009, is a state-of-the-art combination office and commercial building. The high assessment of this certification was based on the building's use of eco-friendly, energy-saving technologies and seismic isolation devices; its superior disaster performance, such as emergency reserve power sources enabling the support of operations for extended periods of time; and its capacity to house community-based operations and host various events in atrium and public indoor spaces.



Sendai First Tower

Case Study: **Iino Kaiun**

Iino Kaiun Kaisha, Ltd., headquartered in Chiyoda-ku, Tokyo, is engaged in various shipping businesses, including tanker shipping of crude oil, gas and petrochemical products and dry bulk shipping of coal, fertilizers, and wood chips for paper production. In Tokyo, the company develops real estate and owns several rental office buildings. Having positioned these endeavors as the drivers of the company's business, Iino Kaiun is undertaking initiatives to lessen their environmental impacts.

DBJ conferred DBJ Green Building Certification to Iino Kaiun's Iino Building, located in Chiyoda-ku, Tokyo, and its Shiodome Shibarikyu Building, located in Minato-ku, Tokyo. The Iino Building, which opened in October 2011, features the addition of the Iino Hall and Conference Center, a venue for cultural, artistic and intellectual activities such as concerts and lectures in the heart of Tokyo, as well as plans for a greenbelt—the Iino Forest—aiming for harmony with the natural green environment of Hibiya Park. DBJ gave the Iino Building the highest rank of Platinum, and provided funding via the DBJ Environmentally Rated Loan Program. This was the first time DBJ applied both the DBJ Green

Building Certification and the DBJ Environmentally Rated Loan Program. The Shiodome Shibarikyu Building received Gold certification.



Iino Building

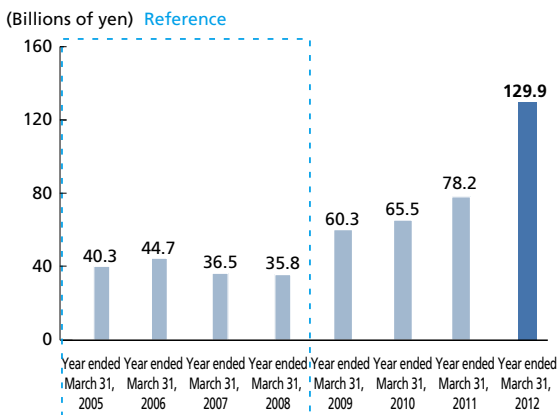
DBJ Environmentally Rated Loan Program

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 DBJ Environmentally Rated Loan Program for the past eight years. Financing in the year ended March 31, 2012, amounted to ¥129.9 billion, an increase of approximately 66% year on year. The total for the eight years to March 31, 2012, stands at ¥491.2 billion.

The DBJ Environmental Ratings Advisory Committee meets

● Track Record of DBJ Environmentally Rated Loan Program



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



DBJ environmental logo

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. The revised DBJ rating sheet for fiscal 2012 will incorporate elements related to ISO 26000 and enhancements related to corporate social responsibility (CSR) similar to last fiscal year. In light of the trend towards increasing Scope 3 disclosure requirements overseas in recent years, and with consideration for the importance of the supply chain, we are reordering questions related to the supply (value) chain.

Case Study: LIXIL Group

LIXIL Group Corporation, headquartered in Chiyoda-ku, Tokyo, is a comprehensive housing and living environment solutions provider promoting environmental management based on principles aimed at harmonizing human lifestyles with the earth we live on. LIXIL Group applies its environmental efforts conscientiously and comprehensively, improving living arrangements that take into consideration not only what to do but also how and for whom to do it.

DBJ assigned the entire LIXIL Group environmental ratings and used them to arrange financing in the form of a syndicated loan with 15 other financial institutions.

The high evaluation was based on assessment of the company's (1) impact on the ecosystem and promotion of specific developments regarding biodiversity, (2) promotion of the reuse of waste materials—including other companies' products—from housing renovation, (3) ambitious targets set for CO₂ emissions reductions at domestic bases of operation and promotion of enhanced efficiency, (4)

promotion of the proactive introduction of mega solar and other reusable energy sources and (5) development and deployment of a variety of eco-friendly products as a leader in the housing materials industry.



Introduction of renewable energy in production



Collection and recycling of housing renovation waste at the Eco Center

DBJ Environmentally Rated Loan Program

Case Study: Mitsui O.S.K. Lines

Mitsui O.S.K. Lines, Ltd., headquartered in Minato-ku, Tokyo, provides an exemplary environmental management model for the shipping industry based on the MOL Group Midterm Management Plan's GEAR UP! MOL, one pillar of its environmental strategy under an environmental management system that supports its performance as a world top-class shipping line through strengthening its operational safety measures and the traditionally high environmental efficiency of its maritime shipping.

DBJ provided financing to MOL based on high evaluations of their (1) promotion of tangible efforts to reduce environmental burdens through the formulation and execution of a road map for the introduction of eco-ship raw material technologies focused on enabling realization of the next-generation vessel concept Senpaku ISHIN project, (2) intangible efforts such as consistent ECO SAILING, the culmination of expertise instrumental to efficient shipping and the realization of reduced CO₂ emissions, (3) initiatives contributing to safe shipping, such as the establishment of the Safety Operation Supporting Center (SOSC) to monitor the movement of all ships under operation and provide information on weather, pirates and terrorism and other potential threats 24 hours a day.

Next-generation vessel concept Senpaku ISHIN project



ISHIN-I
Hybrid car carrier utilizing renewable energy



ISHIN-II
Ferry that uses LNG as fuel



ISHIN-III
Large ore carrier with high-efficiency waste heat energy recovery system



- We
- (1) Properly reduce navigation speeds
 - (2) Take advantage of weather and sea condition forecasts and the optimum trim
 - (3) Select optimum routes
 - (4) Reduce vessels' wetted surfaces
 - (5) Optimize operation and maintenance of main engines, auxiliary equipment and other machinery
 - (6) Develop energy-efficient ship designs
 - (7) Equip vessels with Propeller Boss Cap Fins (PBCFs)

Efficient shipping through ECO SAILING

Case Study: Yunokuni Hotel

Yunokuni Hotel Co., Ltd., headquartered in the city of Kaga, Ishikawa Prefecture, operates Yunokuni Tensyo, a Japanese-style inn officially registered under the Act on Development of Hotels for Inbound Tourists at Yamashiro Hot Springs. As historic Yamashiro hot spring area' leading inn, Yunokuni Hotel is engaged in environmental activities in harmony with the community, combining customer satisfaction and reduction of environmental burdens with eco-friendly service providing an opportunity to experience the importance of regional culture and the environment.

DBJ provided financing based on a high assessment of the company's (1) proactive horizontal deployment

of employee environmental improvement proposals and promotion of energy conservation activities through daily improvements, (2) creation of a building energy management system via the introduction of energy-saving measurement and monitoring equipment and thorough visualization of water and fuel consumption and (3) communication of the importance of Kaga's traditional culture and natural environment to tourists through related facilities *Traditional Culture Amenity Yunokuni No Mori*.



Thorough visualization of water and fuel consumption



Traditional Culture Amenity Yunokuni No Mori

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: Toho Titanium

Toho Titanium Co., Ltd., headquartered in the city of Chigasaki, Kanagawa Prefecture, is one of the world's leading titanium metals manufacturers, providing materials for aircraft and general industrial use. They are also involved in electronic materials, catalysts for propylene polymerization and other functional chemical businesses.

DBJ provided financing for the construction of a large electron beam (EB) melting furnace for the world's first successfully mass-produced direct cast slab (DC Slab®) at Toho Titanium's Yahata Plant in the city of Kitakyushu.

Financing was provided to Fukuoka Prefecture, the city of Kitakyushu and the city of Fukuoka, co-applicants in the Green Asia Internationally Strategic Comprehensive Special Zone project. This was the first "Interest Rate Subsidy System for Internationally Strategic Comprehensive Special Zone*" capital investment contributing to the creation of a manufacturing base leading green innovation in Japan.

* "Comprehensive Special Zone" refers to a system based on new growth strategies formulated by the government. Regions are selected by the government for the implementation of multiple support measures, including special exemptions primarily focused on taxes and financing to strengthen international competitiveness and revitalize regional communities.



Yahata Plant



DC Slab® (left) and traditional ingot (right)

Case Study: Land Solution

Land Solution Inc., headquartered in Minato-ku, Tokyo, provides total risk solutions for soil and underground water contamination as part of the Kurita Group, a major water processing and soil and underground water cleanup company.

Soil and underground water contamination occur underground out of sight, making it extremely difficult to ascertain the extent of the contamination, yet leaving it untreated poses a threat to the ecosystem.

To rectify this situation, Land Solution developed a soil and underground water contamination risk quantification system. Land Solution utilizes this system to inspect and evaluate property and perform cleanups, as well as provide integrated support for the effective use of land, fluidization and risk hedging. It also develops independent soil and underground water contamination countermeasure businesses.

DBJ is investing in Land Solution, which contributes to the reduction of environmental burdens through optimal solutions for soil and underground water contamination issues. Going forward, DBJ will proactively support companies engaged in developing the market for new environmentally conscious businesses.



Excavation site

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: Success Academy

Success Acadent Company Limited, headquartered in the city of Fujisawa, Kanagawa Prefecture, is a private childcare business that, under the theme of child-rearing support, operates workplace and public childcare facilities. The company has over 20 years of experience in the workplace childcare business, operating over 140 childcare facilities, mainly in hospitals but also in schools and companies. In the public childcare facility business, the company operates over 50 directly-managed, licensed and certified Nijjiro nursery schools, schoolchildren clubs and children's centers, providing a variety of support services.

Success Academy opened six new Nijjiro nursery schools in April 2012 and is aggressively moving ahead with preparations for other new facilities from 2013.

DBJ provided funding to Success Academy through the DBJ Smart Japan Program to help alleviate waiting lists for

nursery schools and the provision of child-rearing support services.



Nijjiro nursery school

Case Study: Kawakita Medical Foundation

Kawakita Medical Foundation's Kawakita General Hospital, located in Sugunami-ku, Tokyo, provides 24-hour emergency medical care, serving as the main emergency and acute medical care facility in the area. In recent years, the company has been aggressively upgrading its medical support services with the establishment of the Kawakita Rehabilitation Hospital, health screening and family medicine centers and geriatric health care facilities.

With the cooperation of the Japan Council for Quality Health Care (JCQHC), we created the DBJ Visionary Hospital program, a new financing menu that supports hospitals focusing efforts on higher medical functions, environmental considerations and disaster prevention and business continuity countermeasures.

DBJ certified the Kawakita Medical Foundation a DBJ Visionary Hospital and provided financing based on their

advanced environmental consideration initiatives and excellent disaster prevention and business continuity efforts.



Operating theater

Healthcare and Welfare

Case Study: Sekishinkai

Sekishinkai Foundation operates two hospitals, six clinics and 11 nursing-related offices centered in the cities of Kawasaki, Kanagawa Prefecture, and Sayama, Saitama Prefecture. One of Sekishinkai's main facilities, the Kawasaki Saiwai Hospital, located in the city of Kawasaki, Kanagawa Prefecture, has been engaged in regional medicine for almost 40 years since its opening in 1973. Designated as a Group II diagnosis procedure combination (DPC) hospital, this facility is similar to a main university hospital, based on its requisite diagnostic measures, training for doctors, high medical technology and treatment of severely ill patients.

DBJ provided financing to Sekishinkai for the transfer of run-down and cramped Kawasaki Saiwai Hospital to a new building, aiming to strengthen the function of the hospital's emergency and acute medical services.

Kawasaki Saiwai Hospital, the main medical facility in southern Kawasaki, is now expected to contribute further in addressing emergencies and acute medical illnesses.



Kawasaki Saiwai Hospital

Medical Management Database 2012

Edited by DBJ and Japan Economic Research Institute, Inc., and published in July 2012, 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.

- Cover Story: Medical Management in Transition (Examination and Treatment, Nursing Remuneration Reform, Topics)
- Analysis of the current status of the environment surrounding the healthcare sector (trends involving hospital facilities and management)
- Analysis of the current status of hospital management (running costs, facility investment and trends involving fund procurement)
- Topics related to hospital management (such as examples of hospital management improvements and the state of emergency medical care)



DBJ Employee's Health Management Rated Loan Program

The promotion of employee's health management is linked to improved employee satisfaction and corporate productivity, the retention of talented human resources and the financial betterment of health insurance organizations. Amid a declining population of future workers, the strategic implementation of employee's health management from a managerial perspective is an important issue for the realization of a sustainable society.

Case Study: **Kao**

Since its founding in 1887, Kao Corporation, headquartered in Chuo-ku, Tokyo, has become number one in the toiletry category as a manufacturer of laundry and kitchen soaps and healthcare products. From early on, the company made an effort to create a climate that balances work and life, establishing a safe and clean workplace to maximize the potential of each and every employee to provide high-quality products and enhance corporate brand value.

DBJ provided financing based on the clear message of the Kao Group Health Declaration issued by top management and (1) efforts to precisely ascertain and analyze employee health levels based on qualitative information such as quantitative health and prescription data figures and in-house employee surveys, (2) clarification of internal priority measures based on the above analysis, formulation of a medium-term plan and creation of a system for cooperation with businesses, health insurance organizations, industrial physicians and outside specialists and (3) the companywide positioning of health creation as an executive management issue, establishing a management-level health creation committee for reporting and improvements and assigning on-site health creation supervisors and managers to create a virtual health management PDCA cycle for the entire organization.

Five support measures of the "Kao Group Health Declaration"

- 1 Measures to address lifestyle-related diseases**
 - Provision of healthcare advice focused on preventing lifestyle-related diseases
 - Provision of support for employees' attempts to improve their lifestyles
- 2 Measures to address mental-health issues**
 - Establishment of a system to deal with employees with mental health problems early on through the introduction of a mental health check system
 - Implementation of training to deal with mental health issue for managers
- 3 Measures to support employees wanting to quit smoking**
 - Implementation of the "Kao Group No Smoking Marathon"
 - In fiscal 2010, a total of 293 employees participated in the program, and 136 employees succeeded in quitting smoking.
- 4 Measures to support employees affected by cancer**
 - Addition of cancer detection categories to the annual physical check-up designated by the Industrial Safety and Health Act
- 5 Measures to support women's health**
 - Spread of knowledge of gender-specific medicine to increase the rate of females receiving gynecological exams

Kao Group Health Declaration

Restructuring and Revitalization

Since the emergence of non-performing 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.

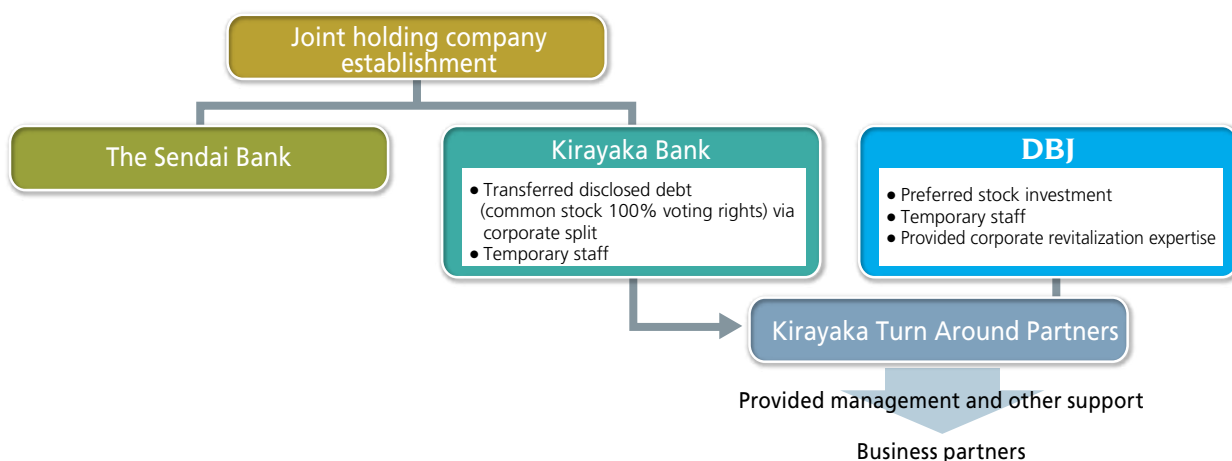
Case Study: Kirayaka Turn Around Partners

Kirayaka Turn Around Partners Co., Ltd., headquartered in the city of Yamagata, Yamagata Prefecture, is a wholly-owned subsidiary of Kirayaka Bank, Ltd., and was established to provide centralized support for the restructuring activities of the bank's customers. DBJ entered an agreement with Kirayaka Bank, Ltd., to provide capital and business collaboration. Kirayaka Turn Around Partners inherited

approximately ¥12.5 billion in disclosed debt from Kirayaka Bank and is engaged in management and restructuring support for trading partners.

DBJ agreed to provide Kirayaka Turn Around Partners with approximately ¥1 billion in financing via the purchase of non-voting preferred shares, and dispatched temporary staff.

● Schemes



Case Study: BookLive

BookLive Co., Ltd., headquartered in Taito-ku, Tokyo, is an electronic publication business established by the Toppan Group that operates electronic bookstore BookLive! and a platform to distribute electronic publications.

DBJ, along with Mitsui & Co., Ltd., Toshiba Corporation and NEC Corporation, has invested in BookLive.

With the addition of strategic partners DBJ, Mitsui & Co., Ltd., Toshiba and NEC, BookLive will attempt to develop business pursuing the new potential of electronic publications and strengthen the main electronic bookstore BookLive! as an industry standard among a jumble of services in the domestic electronic book market through the concentrated expertise these four companies have cultivated over many years.



BookLive! website

Restructuring and Revitalization

Case Study: Great East Japan Earthquake Reconstruction Funds

To support the restoration and reconstruction of companies damaged in the Great East Japan Earthquake, DBJ joined with financial institutions in stricken regions to launch Great East Japan Earthquake Reconstruction funds.

Although the disaster caused a temporary downturn in industry, each fund utilizes subordinated loans and preferred shares to provide capital to local leading companies indispensable to recovery in the region, supporting the quick reconstruction of affected areas.

DBJ and The Toho Bank, Ltd., launched the Fukushima Support Fund Limited Partnership, which funds post-Great East Japan Earthquake reconstruction (Fukushima Support Fund), and decided to purchase ¥1 billion in preferred shares from Joban Kosan Co., Ltd., headquartered in the city of Iwaki, Fukushima Prefecture.

Joban Kosan's core business is Spa Resort Hawaiians (hereinafter, "SRH"), a hot springs theme park featuring indoor pools, leisure facilities and a hotel.

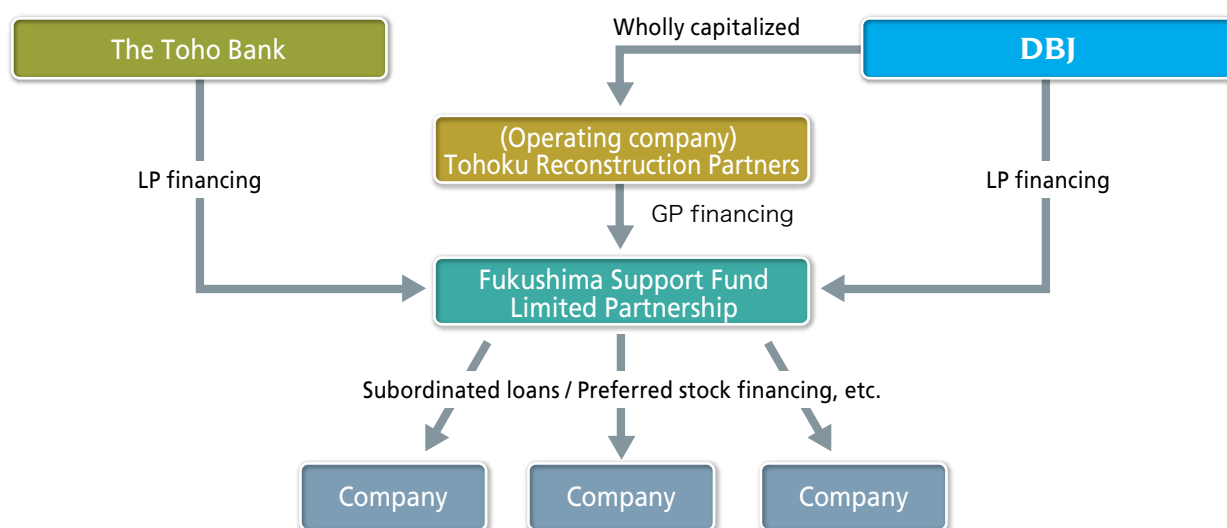
SRH was extensively damaged in the Great East Japan

Earthquake, forcing an extended closure. Recovery construction commenced, and in February 2012 the entire facility reopened. Since it began operations in 1966, SRH has demonstrated an ability to attract customers utilizing the well-known abundance of its hot springs and a unique hula dance attraction. The recovery of SRH will provide momentum for recovery in the region.



Monolith Tower, which opened in February 2012

Great East Japan Earthquake Reconstruction Fund Scheme



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: SATS Group

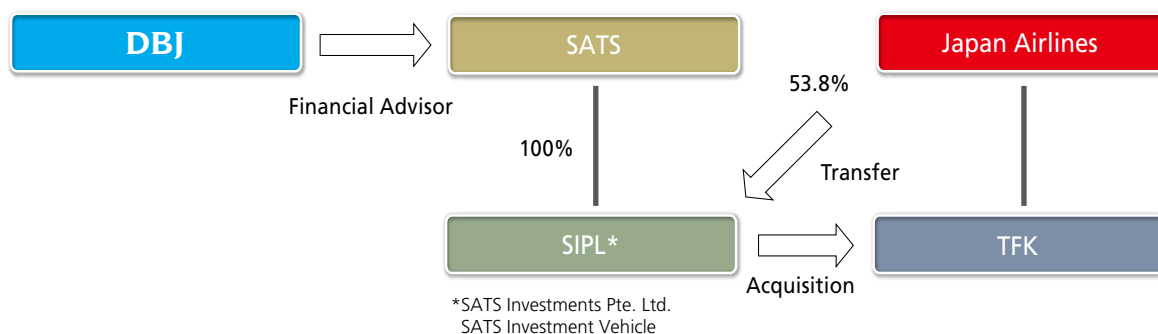
SATS, Ltd. (hereinafter, "SATS"), headquartered in Singapore and based at Singapore Changi International Airport, is engaged in the in-flight meal and ground handling business in Asia. SATS is listed on the Singapore Exchange.

In July 2010, SATS indicated an intention to acquire a tender of TFK Corporation (hereinafter, "TFK") shares (53.8% of all voting rights) held by Japan Airlines Co., Ltd.

DBJ acted as financial advisor regarding the SATS indication of interest in the tender, providing total support from tender strategy formulation to acquisition negotiations. The deal was concluded in December 2011.

With the acquisition of TFK, the leading company in the in-flight meal business in Japan, SATS has formally entered the Japan market, and TFK expects to expand its customer base.

● TFK Acquisition Scheme



Consulting Practice Systemization: Different Approaches for Each Stage of the Corporate Life Cycle

The DBJ-edited *Consulting Practice Systemization*, published by Kinzai in May 2012, explains financial service business practices required at each particular stage of the business lifecycle, including Creation/development of new business (Chapter 1), Growth (Chapter 2), Management improvement (Chapter 3), Business reconstruction/change in business activities (Chapter 4), Liquidation/bankruptcy (Chapter 5) and Business succession (Chapter 6). This practical publication provides case studies on numerous businesses for which financial services are in demand, including detailed explanation of essential expertise and Financial Services Agency guidelines on consulting.



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: 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 provided financing 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 Corporation
Tokyo International Air Terminal, which began operations in October 2010

Case Study: Long Beach Judicial Partners

Long Beach Judicial Partners LLC (hereinafter, "LBJP"), headquartered in the city of Long Beach, CA, U.S.A., is a special purpose company (SPC) established by Meridiam Infrastructure, a fund focused on infrastructure development in the United States and Europe through public-private partnerships (PPPs), to enable the California state government to carry out the Long Beach Courthouse Project.

The Long Beach Courthouse Project is the first social infrastructure project in the United States procured under the principles of Performance-Based Infrastructure (PBI) contracting to utilize a PPP scheme* to reconstruct, operate, and maintain California's most socially and politically important courthouse with the largest capacity and highest number of cases in the state through private financing.

Ninety percent of revenue from this project will come from the California state government in the form of stable payments of annual, performance-based service fees. Using advanced risk management to adequately reduce risk, an appropriate return compared to risk is expected.

DBJ, along with Western financial institutions, is providing financing to LBJP via project finance methods.

* Similar to a Private Finance Initiative (PFI) purchase of services via a Build-Operate-Transfer (BOT) contract in Japan, cost, schedules, quality and other performance indicators must be clearly defined when the contract is executed. This kind of scheme aims to encourage competition and high-quality bids, approving flexible proposals from bidders by focusing on results rather than process details.



Rendering of Long Beach Courthouse



DBJ Enterprise Disaster Resilience Rated Loan Program

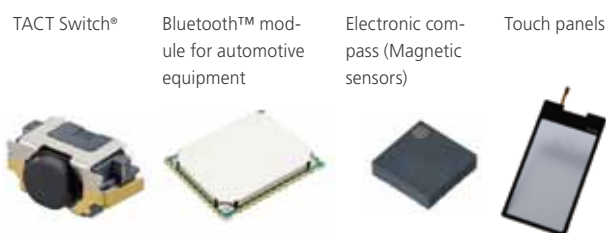
Such recent disasters as the Great Hanshin-Awaji Earthquake, the Chuetsu Offshore Earthquake, the Iwate-Miyagi Inland Earthquake and last year's Great East Japan Earthquake caused tremendous damage to the economy, with many organizations forced to suspend operations for extended periods. In addition 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: Alps Electric

Alps Electric Co., Ltd., headquartered in Ota-ku, Tokyo, is one of the world's leading manufacturers of electronic components for everyday electronic devices, including compact switches and sensors, multi control devices and in-vehicle units and communication modules.

DBJ provided financing to Alps Electric based on a high evaluation of (1) the earthquake resistance and seismic isolation measures implemented at their headquarters and main offices in Japan and overseas, as well as their endeavors to disperse production bases geographically, (2) the existing structures, whether damaged or not, in terms of exposure to various social crises (review ongoing) and (3) the mechanism for the companywide sharing of information in real time and centralization of leadership and command in times of crisis as well as an environment facilitating the execution of quick decision-making and emergency response.

Alps Electric has seven factories in the Tohoku region that were damaged in the Great East Japan Earthquake, but disaster prevention and business continuity measures implemented in daily operations successfully minimized damage, shortening the time required to resume normal production line operations to fulfill its supply responsibilities in Japan and overseas.



One of the world's leading manufacturers of electronic components

Case Study: TOTO

TOTO Ltd., headquartered in the city of Kitakyushu, Fukuoka Prefecture, has established itself as Japan's leader in the manufacture and sales of residential fixtures, from sanitary ceramic ware to toilet seats with a warm-water shower feature. TOTO adds value to lifestyles in its three mission areas: universal design, environment and bonds.

DBJ provided financing to TOTO based on a high evaluation of (1) the earthquake resistance and seismic isolation measures implemented at their headquarters and main offices in Japan and overseas, as well as their attempt to disperse production bases geographically, (2) efforts to eliminate bottlenecks to business continuity and create a strong supply chain by multiplexing the production of difficult to replace basic components and increasing the use of general purpose parts, (3) the ongoing implementation of practical risk simulations focused primarily on the continuation of core business operations and (4) the application of daily business process improvements with concrete measures formulated from the aforementioned simulations.

After the Great Hanshin-Awaji Earthquake, TOTO implemented seismic evaluations and strengthened resistance to earthquakes at 70% of its buildings and facilities in Japan, but the Great East Japan Earthquake caused them to accelerate initial plans to complete disaster prevention counter-measures at all facilities by 2013. Financing provided by DBJ was used to fund these plans.



The leading manufacturer of sanitary ceramic ware and residential fixtures and among the global elite in technology and quality

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: Mt. Hakodate Ropeway

Mt. Hakodate Ropeway Corporation, headquartered in Hakodate, Hokkaido, operates a ropeway business on Mt. Hakodate, famous for its dramatic night view and an integral part of the Hakodate tourism industry.

Ahead of the fiscal 2015 start of *shinkansen* (bullet train) service between Shin-Aomori and Shin-Hakodate, the giant pulleys driving the ropeway were replaced, and the company plans to replace gondolas and remodel the observation deck to maintain and improve the ropeway's appeal through the large-scale renovation of facilities. The company also promotes initiatives to reduce environmental burdens under the motto "Clean & Green," introducing light fixtures powered by solar and wind, and switching to electric heating and cooking appliances to reduce the amount of oil and gas used.

DBJ provided financing to Mt. Hakodate Ropeway on the basis of the Hokkaido Branch's certification of the company under the Regional Areas *Genki* Program (tourism).



Large 125-person capacity gondola

Case Study: Prifoods

Prifoods Co., Ltd., headquartered in the city of Hachinohe, Aomori Prefecture, was reborn in 2008 after a merger between Daiichi Broiler Co., Ltd., Ichirei Co., Ltd., Gordex Co. and Nihon Hypor Co., Ltd. With each of the four internal companies engaging in their traditional businesses, the company is in the livestock-rearing industry, engaged in comprehensive poultry and pig breeding, meat processing, processed food production, sales and engineering of poultry processing facilities and machinery.

In 2003, Daiichi Broiler, which is engaged in the manufacture, processing and sales of broilers, implemented the industry's first traceability system in its packaging plant, a new initiative in the industry to further ensure food product safety and peace of mind.

DBJ provided financing to Prifoods, certifying it under the Tohoku Branch's Regional Areas *Genki* Program (Green Network Tohoku Program).



Inside Gonohe Food Processing Plant

Community Revitalization

Case Study: Snow Peak

Snow Peak Inc., headquartered in the city of Sanjo, Niigata Prefecture, is located in the Tsubame-Sanjo region, long known locally as a hardware manufacturing town. The company is engaged in the manufacture and sales of natural lifestyle products for nature-oriented lifestyles. As the industry's leading company, Snow Peak designs, develops and manufactures tents, sleeping bags, compact stoves, lanterns and various kinds of apparel created with advanced metalworking technologies by local companies sold in Japan and 23 countries around the world.

In accordance with its mission statement of adopting the user's point of view as their own and delivering products and services that enable mutual inspiration, Snow Peak

thoroughly incorporates the user's input in everything it manufactures. Passionate fans of these initiatives, called "SnowPeakers," are increasing around the world.

DBJ provided financing to Snow Peak, certifying it under the DBJ Development Support Program (*Nihon Genki* Program).



Headquarters and factory exterior

Case Study: Charmant

Charmant, Inc., headquartered in the city of Sabae, Fukui Prefecture, develops business globally and is engaged in the comprehensive design, development, production and sales of eyeglass frames, primarily through the Charmant brand. The company possesses illustrious intellectual property rights cultivated through many years of product development, including Excellence Titan (developed through industry-university joint research), which is a new nickel-free material that is flexible yet retains shape memory, as well as the successful development of laser bonding technology enabling microfabrication.

Making use of technology and expertise gathered from eyeglass frame manufacturing, in April 2012 Charmant launched production and sales of medical equipment such as scissors and forceps for use in cataract and glaucoma surgery under the HORITECH brand. Titanium medical

instruments are highly compatible with living organisms, possess superior corrosion resistance and are lightweight, strong and non-magnetic, eliminating any interference with other instruments in the operating room. Exemplifying the quality that Japanese-made products are known for, these instruments are equipped with special characteristics necessary for minimally invasive surgery.

DBJ provided financing to Charmant, certifying it under the Regional Areas *Genki* Program (manufacturing industry: electronics, pharmaceuticals, textiles, plastics).

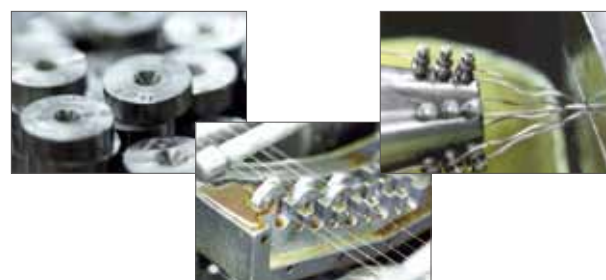


HORITECH

Case Study: Asahi Intecc

Asahi Intecc Co., Ltd., headquartered in the city of Nagoya, Aichi Prefecture, is a research and development company focusing on the development, manufacturing and sales of medical devices based on ultrafine stainless steel wire manufacturing technologies. Particularly in the minimally invasive surgery area, the company provides PTCA guide wires for use in treatment of patients with heart disease, to minimize physical burden on patients and to improve the patients' quality of life (QOL). Asahi Intecc is considered a world leader in this industry.

DBJ provided financing to Asahi Intecc, certifying it under the Tokai Branch Regional Areas *Genki* Program (strategic next-generation industry).



Wire drawing and wire-forming technology

Community Revitalization

Case Study: Kintetsu Corporation

Kintetsu Corporation, headquartered in the city of Osaka, engages in real estate development, distribution, hotel and leisure and a variety of other Group businesses, in addition to operating the largest private railway network, spanning five prefectures, in the Kinki and Chubu regions.

DBJ granted DBJ Green Building Certification to Abeno Harukas, located in the city of Osaka, set to become the tallest skyscraper complex in Japan, currently under construction by the Kintetsu Corporation. This was the first Platinum plan certification* in Japan granted for a building still under construction. The project was evaluated highly for the incorporation of advanced technology creating extremely superior environmental functionality, access connecting to seven different rail lines, the introduction of mul-

tipale office support facilities, a department store and a hotel and the provision of extremely convenient amenities.

* For properties under construction, a mechanism for confirming development plans using the DBJ Green Building Certification model for scoring plans between other owners and property-related individuals in terms of environmental features and convenience to tenants based on development plans.



Abeno Harukas, scheduled to open in spring 2014

Case Study: Waste Biomass

Waste Biomass Co., Ltd., headquartered in the city of Sakaiminato, Tottori Prefecture, is a project company involved in the operation of sewage sludge carbonization facilities led by Sanko Co., Ltd., the largest industrial waste disposal company in the Sanin region, along with the Toyota Tsusho Corporation and Nippon Zoki Pharmaceutical Co., Ltd.

This project, which involves sludge carbonation facilities built by private-sector companies, is extremely important for promoting development in regional economies and reducing greenhouse gas emissions by drying and carbon-ating sewer sludge collected from Tottori and Shimane Prefectures and recycling it either as heat insulation material

for the manufacture of steel or as biomass fuel.

DBJ arranged financing, along with local banks The San-in Godo Bank, Ltd., and The Tottori Bank, Ltd., in the form of a ¥1.9 billion syndicated loan.



Rendering of sewage sludge carbonization facility

Case Study: Kyowa Chemical Industry

Since its founding, Kyowa Chemical Industry Co., Ltd., headquartered in the city of Sakaide, Kagawa Prefecture, has developed products under the motto "Unique Products through Unique Technologies" in the field of fine inorganic chemicals, creating products developed with consideration for people and the environment.

Kyowa Chemical Industry's products are indispensable in modern society and widely used in medical and industrial applications. Their development and production of medicinal materials, resin additives and flame-retardant materials make effective use of natural resources while maintaining an awareness of environmental conservation.

DBJ provided financing to Kyowa Chemical Industry to expand its medicinal preparation facility so that it could respond to increased demand for prescription laxatives, certifying the financing under the Shikoku Branch Regional Areas *Genki* Program (Materials Island Shikoku Support Program).



Plant exterior

Community Revitalization

Case Study: Fukuoka Jisho

Fukuoka Jisho Co., Ltd., headquartered in the city of Fukuoka, Fukuoka Prefecture, is a local developer that develops and manages office and commercial facilities, mainly in the Fukuoka metropolitan area, including the Canal City HAKATA shopping complex popular with tourists.

Opening the city of Fukuoka to all Kyushu Shinkansen lines is expected to increase the amount of customers from within and without the Kyushu area. To improve movement between the Hakata Station and Tenjin areas in the center of Fukuoka City, Fukuoka Jisho added the East Building facing Hakata Ekimae Dori next to the extant Canal City HAKATA. The East Building, featuring unique fast fashion tenants, acts as a bridge to the existing building, resulting in smoother flowing foot traffic between Hakata Station and Canal City HAKATA.

DBJ, together with The Nishi-Nippon City Bank, Ltd., and other financial institutions, provided financing to Canal City HAKATA for the expansion, certifying it under the Kyushu Branch Regional Areas *Genki* Program (enhancing the regional competitiveness of the Kyushu region as the door to Asia).



Canal City Hakata East Building

Case Study: KAMICHIKU & Kinkou Farm

KAMICHIKU Co., Ltd., and Kinkou Farm Co., headquartered in the city of Kagoshima, Kagoshima Prefecture, is a corporate group engaged in the breeding and fattening of black-haired beef cows for the meat processing and food service industry. Not relying on existing ideas, the company engages in new initiatives including free-range breeding business and production of feed using farm produce and leftover food to provide high-quality beef at a low cost with safety and peace of mind.

DBJ provided financing to the KAMICHIKU Group, which is highly evaluated for its initiatives linked to the enhanced international competitiveness of the Japanese livestock industry, certifying the financing under the Minami-Kyushu Branch Regional Areas *Genki* Program (food, health and environment industry).



Yuzuriha rearing ranch

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: Thai Airways International

Thai Airways International Public Company Limited (hereinafter, "THAI"), headquartered in Bangkok, Thailand, is the flagship carrier of the Kingdom of Thailand. Boasting a highly developed route network, THAI is a pillar in the sightseeing industry, bringing over 1.5 million overseas visitors to the Kingdom of Thailand in 2010. At present, THAI intends to introduce highly fuel-efficient airplanes, with the goal of replacing its existing fleet. This plan enables provision of service to a greater number of passengers without increasing burdens on the environment.

All around the world, travelers are increasing as the economy improves, and with the attendant growth in demand for airplanes, the number of airplanes in use is expected to double in the next 20 years.

Given this outlook, DBJ has formally entered the aircraft equipment finance business, arranging a syndicated loan with other international financial institutions for the Airbus A330-300 aircraft THAI expects to make integral use of going forward.



THAI Airbus A330-300

Case Study: China Resources Power

DBJ, along with Electric Power Development Co., Ltd., and Mitsui & Co., Ltd., participated in the Hezhou Power Station project conducted by China Resources Power Holdings Company Limited (hereinafter, "China Resources Power"), headquartered in Hong Kong, through investment company JM Energy.

This project, installation of a new independent power producer in China's Hezhou, located in the Guangxi Zhuang Autonomous Region, is the first ultra-supercritical (USC)* coal-fired electric power generation plant (two 1 million kW bases) in the regions. Compared to traditional power generation plants, the USC facility provides higher thermal efficiency and suppression of CO₂ emissions. Stable provision of electric power will contribute significantly to economic development in southern China, and this project will contribute to energy conservation and environmental improvements.

DBJ, along with Electric Power Development and Mitsui, will continue to provide optimal financial solutions for the development of new power generation facilities overseas

and support this project to build high-efficiency power plants in China as a way of moving toward a low-carbon society, and by extension, prevent the emission of greenhouse gases.

* Ultra-supercritical power generation uses steam to increase power generation efficiency with more heat and pressure than traditional power generators.



Rendering of power plant

Great East Japan Earthquake Response Operations

Earthquake, tsunami, nuclear power plant crisis—the Great East Japan Earthquake unleashed unprecedented damage, a major compound disaster the likes of which the world has never seen, seriously impacting the economy of Japan. It is essential that the disaster recovery measures be implemented on a step-by-step basis according to each stage towards recovery and tailored to meet specific needs of varying regions and different disaster categories.

Case Study: REMATEC

REMATEC Corporation, headquartered in the city of Kishiwada, Osaka, has unique and innovative technologies in the field of industrial waste recycling, enabling the reuse of waste oil and sludge to make such items as reclaimed fuel and concrete.

DBJ arranged a syndicated loan for REMATEC, drawing participation by The Senshu Ikeda Bank, Ltd., Shoko Chukin Bank Limited and The Bank of Iwate, Ltd. (a regional financial institution of Iwate Prefecture) and providing ¥1.5 billion in financing for the construction of a plant to remove salt from disaster-related waste.

The tsunami generated by the Great East Japan Earthquake created a large amount of waste, leaving behind refuse with a high degree of salinity. REMATEC established a plant in the city of Ofunato, Iwate Prefecture, and undertook the task of desalinizing this waste under contracts from Iwate Prefecture and Taiheiyo Cement

Corporation, a major cement producer. As this initiative enables disaster-related waste to be used as fuel or raw material to make cement in Ofunato, promoting this process should contribute to the speedy reduction of waste in the region and a quick recovery from the disaster.



Plant to remove salt from disaster-related waste (Ofunato, Iwate Prefecture)

Case Study: Onahama Smelting and Refining

Onahama Smelting and Refining Co., Ltd., headquartered in Chiyoda-ku, Tokyo, was Japan's first copper smelting company, created through joint investment from Mitsubishi Mining Company (currently Mitsubishi Materials Corporation), Dowa Mining Company (currently Dowa Group/Dowa Metals & Mining Co., Ltd.) and the Furukawa Mining Company (currently Furukawa Company/Furukawa Metals & Resources Co., Ltd.) in 1963 during Japan's rapid economic growth phase in response to increasing domestic demand for copper. At present, the company develops business involving recycling and the detoxification of scrap automobile shredder dust and other industrial waste materials.

The company's Onahama Smelting and Refining facility, located in the city of Iwaki, Fukushima Prefecture, was significantly damaged in the Great East Japan Earthquake; however, intensive reconstruction work enabled the facility to resume operations on June 30, 2011.

DBJ provided financing in the form of disaster recovery funds to Onahama Smelting and Refining in support of restoration and reconstruction efforts.



Refining furnace and casting machine

Environmental Management

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 environ-

mental conservation and to cooperate in resolving environmental problems. In addition, in November 2002, we acquired ISO 14001 certification, and in November 2011, we signed the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century). Such efforts indicate our organizational commitment to environmental preservation and the realization of a sustainable society.

In line with the Basic Environmental Policy formulated in October 2008, DBJ is promoting efforts in the regions where its 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.

- DBJ Environmentally Rated Loan Program (See pages 50, 84–85.)
- DBJ Green Building Certification (See pages 51 and 83.)

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 76.)
- Communication on Community Revitalization (See page 76.)
- Communication in International Cooperation (See pages 76–77.)

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, 2010	Year Ended March 31, 2011	Year Ended March 31, 2012
Copy and printing paper usage (kg)	95,992	93,189	100,494
Waste emissions (kg)	76,030	61,610	63,530
Energy consumption (kWh)	4.82 million	4.50 million	3.53 million
Water usage (m³)	24,856	25,411	24,105

Note: Head office building only

● Promotion of environment-friendly sourcing of supplies

In line with 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 implemented initiatives to purchase products and services with lower environmental impacts. We have continued to practice green purchasing following our privatization.

● Achievements of the Green Procurement Program for Typical Items

	Year Ended March 31, 2012
Paper	100.0%
Stationery	95.3%
Equipment	94.6%
Office equipment	98.2%
Lighting	95.9%
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 2011

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 2011.

Volunteers planting seedlings and flower bulbs

Organizations and government bodies located in Tokyo's Otemachi and Nihonbashi areas take part in the volunteer planting of seedlings and flower bulbs in Tokiwabashi Park, sponsored by the Chiyoda-ku Adopt a Park Promotion System (CAPPS). DBJ continues to take part in these activities.



● 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 2011, 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 and plant flower bulbs.



● 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

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

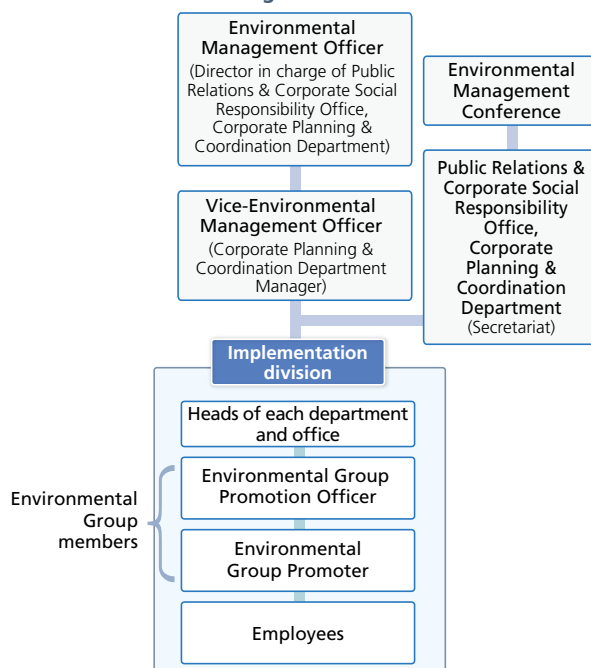
To promote environmental management activities, the

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.

● Environmental Management Structure



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

- | | | | |
|-----------|--|-----------|--|
| 1999 Oct. | Designation of sustainable development as an objective by the Development Bank of Japan Act (Act No. 73 of 1999) | 2007 Jul. | <i>Annual Report & CSR Report</i> (integrated annual report and CSR report) |
| 2001 Apr. | Start of green procurement and environmental training | 2008 Oct. | First Board of Directors and Management Committee meetings of Development Bank of Japan Inc.; formulation of Basic Environmental Policy and Environmental Management Regulations |
| Jun. | First Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development | 2009 Mar. | First Environmental Club Syndicated Loan <i>ECONOWA</i> |
| Oct. | 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 | Apr. | Commendation for DBJ Environmentally Rated Loan Program: Environmental Development Award |
| 2002 Mar. | UNEP FI 2002 Global Roundtable in Rio de Janeiro, Brazil | Sep. | Start of cooperation with regional financial institutions to prepare a system to implement Financing Employing Environmental Ratings |
| Jul. | Launch of the Development Bank of Japan Environmental Policy | 2010 Jan. | 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) |
| Nov. | ISO 14001 certification | Apr. | Business cooperation agreement to promote environmental measures with a non-life insurance company |
| 2003 Oct. | Publishing of <i>Environmental Report 2003 for a Sustainable Society</i> (first annual edition) | Dec. | 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") |
| Oct. | Joint sponsorship of UNEP FI 2003 Global Roundtable in Tokyo, an international conference on finance and the environment | 2011 Apr. | Established the DBJ Green Building Certification |
| 2004 Apr. | Start of DBJ Environmentally Rated Loan Program | Nov. | Signed the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) |
| Sep. | Second annual <i>Sustainability Report</i> | | |
| Nov. | Japan Carbon Finance, Ltd. (JCF) established | | |
| Dec. | Japan Greenhouse Gas Reduction Fund (JGRF) established | | |
| 2005 Jan. | Assumption of chair of the UNEP FI Asia Pacific Task Force | | |
| Sep. | Third annual <i>Sustainability Report</i> | | |
| Oct. | UNEP FI 2003 Global Roundtable | | |
| Nov. | Renewal of ISO 14001 certification | | |
| 2006 May | Press conference to announce DBJ status as a signatory institution to the Principles for Responsible Investment | | |
| Aug. | <i>CSR Report 2006</i> (fourth annual <i>Sustainability Report</i>) | | |

Business Continuity Plan (BCP)

DBJ is preparing a business continuity plan (BCP) to protect the interests of its stakeholders, including its clients, its shareholder, and its executives and regular employees, as well as to fulfill its social mission. The BCP aims to ensure the continuity and rapid recovery of core operations in the event of emergencies, such as natural disasters (in particular, large-scale earthquakes), influenza pandemics, system failures and power outages.

In addition to addressing the continuity of core operations and maintaining a plan to recover from disaster, the BCP specifies the initial actions that executives and regular employees should take in emergencies. The plan

spells out necessary disaster responses in an easy-to-understand manner.

When formulating policies to ensure the continuity and recovery of core operations, we took the approach of considering responses to cases in which important management resources were damaged due to a large-scale disaster, affecting head office (1) buildings and facilities, (2) executives and regular employees, and (3) systems, instead of considering responses to individual events such as earthquakes and fires.

An overview of DBJ's BCP is provided below.

1. Principles of Action for Executives and Regular Employees

The BCP defines three key goals regarding the fundamental stance that executives and regular employees are to take in the event of a large-scale disaster or other emergency. They are to (1) ensure personal safety, (2) grasp the situation accurately and (3) remain calm and collected. Specifically,

they must give first priority to the lives and safety of our clients and our executives and regular employees, paying attention to television and radio broadcasts, evacuating calmly (without panic) and determining the safety of others.

2. Core DBJ Operations

In the event of a large-scale disaster, DBJ has identified the following six items as essential to the continuity of its core operations from the standpoint of (1) items that are fundamental and prerequisite to business continuity (such as facilities, personnel and systems), (2) DBJ's social mission and the public nature of its financing (such as investment and loan activity) and (3) responsibility to financial markets (continuity of market settlements).

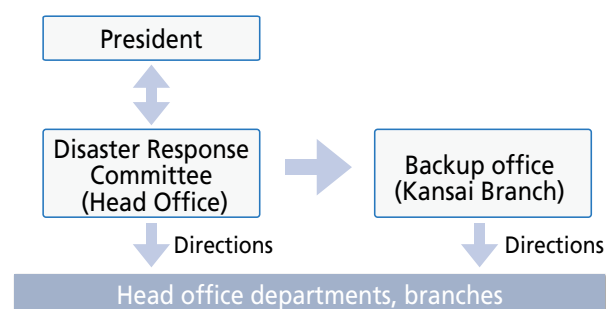
- 1) Confirmation and assurance of the safety of executives and regular employees
- 2) Uninterrupted continuation of settlement-related business
- 3) Reliable formation of the Disaster Response Committee
- 4) Restoration and maintenance of IT systems
- 5) Confirmation of the status of clients in afflicted areas
- 6) Rapid commencement of crisis response operations

DBJ has formulated a BCP that prioritizes continuity of the core operations described above.

3. BCP Operational Structure

When responding to an emergency situation, such as in the event of a large-scale disaster, in principle, the Disaster Response Committee will be established at head office and chaired by the head of the Corporate Planning & Coordination Department, who reports to the president. This committee gives directions to DBJ's branches regarding the continuation of core operations. If maintaining operations at head office proves problematic, the Kansai Branch shall serve as the alternative location.

● BCP Operational Structure Outline



4. Measures to Ensure Business Continuity

We have prepared a variety of measures to ensure business continuity. The primary measures are introduced below.

(1) Enhanced System Robustness

Ensure advanced security levels at the main center, and create a backup center to operate in the event that the main center ceases to operate.

(2) Multilayered Communication Procedures

Introduce a safety-confirmation system to quickly determine the whereabouts and status of executives and regular employees even at night and on holidays. In addition, distribute satellite telephones to key locations and personnel to ensure multilayered communication procedures.

(3) Chain of Command and Delegation of Authority

To assure that decision-making concerning the continuity of core operations is prompt and certain, in the event that the Disaster Response Committee is established, put in place a chain of command and an alternative hierarchy by which authority can be delegated.

(4) Clarification of Initial Response and Procedures for Continuing or Restoring Core Operations

For individual business units, establish in advance the procedures for the initial response and the continuation or restoration of core operations so that relevant divisions can respond quickly and with certainty on core operations.

5. Initiatives to Maintain or Improve BCP Viability

DBJ conducts various types of instruction and training of executives and regular employees to maintain or improve the viability of its BCP.

Furthermore, the BCP is revised to reflect training

results and recent information, and is considered by the Management Committee regularly and additionally as necessary, employing a PDCA cycle.

Fostering Human Resources and Creating a Comfortable Work Environment

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. Mandatory training by level, combined with elective training according to skills and needs, 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, M&A and the Financial Instruments and Exchange Act.

Regardless of age, employees undergo on-the-job training that provides hands-on exposure to work involving various levels of responsibility. After experiencing employment

in multiple departments, employees are additionally trained for highly specialized positions according to their skills and backgrounds. This system of strategic job rotation not only enables employees to 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 international as well as domestic settings. To achieve this, DBJ actively assigns employees to a wide variety of external organizations, including overseas graduate schools (program currently being expanded), international institutions, domestic and overseas research institutes, companies and related government agencies, 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 ↑	Life plan training	Top management training	•Training in middle- and back-office operations involving investments and loans •Training in debt management •Etc.	•Compliance training •Training in financial act •Etc.	•Accounting •Basics of Tax •Etc.	•Valuation •Financial Modeling •M&A •Real Estate Finance •Relationship Management •Business Revitalization •Environmental Rating Seminars •Disaster Preparedness Rating Seminars •Etc. DBJ Financial Academy—Core courses (II) •Basic IFRS Accounting •International Finance •Financial Policy • Etc.	Common skill areas •Problem solving and communication •Logical thinking •English conversation •Business comportment •Etc.	Distance learning, night courses, acquiring public qualifications, etc.	External seminars, lectures, etc.	Domestic and overseas exchange students, trainees, etc.
	Management training									
	Manager training									
	Career development plan training									
	Secondary training after joining DBJ					DBJ Financial Academy—Core courses (I) •Basic Corporate Finance •Financial Instruments and Exchange Act •Basic M&A •Etc.				
Introductory training for new employees		Rating and asset assessment training	Documentation	Financial analysis training •Bookkeeping and Accounting •Company Analysis •Case Studies	Basic finance training •Interest Rate Basics •Basic Derivatives					
		Systems related to investments and loans	Basic Legal							
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 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 twice-weekly courses with the objective of raising the level of financial expertise of primarily young second-year employees throughout the organization by strengthening their knowledge and understanding of advanced corporate financial business essential to DBJ's business model. During fiscal 2011, courses covered Introduction to Modern Finance, Corporate Finance, the Financial Instruments and Exchange Act and Insolvency and Corporate Reorganization.

Through the DBJ Financial Academy, each employee can seek to elevate his or her abilities in finance, whether aiming to acquire basic knowledge or striving to 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

2011 Courses (May 2011 through February 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

Special course

- Go forward *Nippon!*

2012 Courses (expected to run from May 2012 through March 2013)

Core courses (I)

- Introduction to Modern Finance
- Financial Instruments and Exchange Act
- Business Statistics
- Basic Corporate Finance
- M&A
- Corporate Finance Practice

Core courses (II)

- IFRS Accounting: Foundations and Practice
- Insolvency and Corporate Reorganization
- Financial System Theory
- International Finance
- Financial Expertise Follow-up Training
- Financial Policy

Elective courses

- Real Estate Finance
- Behavioral Finance

Special Program

- Special Program for Regional Financial Institutions