

7th September 2021

Press Release

PHOTON CAPITAL LLC.
Japan Petroleum Exploration Co., Ltd.
JA Mitsui Leasing, Ltd.
Chuo-Nittochi Co., Ltd.

Start of PV power fund targeting at upcoming post-FIT era.

PHOTON CAPITAL LLC (“PHOTON CAPITAL”), acting as the General Partner, has established PHOTON sustainable PV investment limited partnership (“Fund”) to invest in non-FIT PV power projects across Japan as the main portfolio with the 3 Limited Partners (“LP”). These LPs are Japan Petroleum Exploration Co., Ltd. (“JAPEX”), JA Mitsui Leasing, Ltd. (“JAML”), and Chuo-Nittochi Co., Ltd. (“Chuo-Nittochi”).

The Fund will invest in PV power projects in Japan across the development and operation phases. Among renewable energy projects that are expected to expand further in Japan in the future, the Fund aims to contribute to accelerating the installment of renewable energy power plants by investing in PV power plants, which have a relatively short time to reach commercial operation. In addition, based on the tapering Feed-in Tariff (“FIT”) period, the Fund is expected to accumulate the necessary knowledge for further business development by investing in non-FIT PV projects under Feed-in-Premium (FIP) system which will start from 2022 alongside Corporate PPA* as the main portfolio.

A joint venture of Photon Capital and JAPEX will carry out the asset management of the projects the Fund invests in, with the primary purpose of further developing proprietary know-how of PV asset management.

The respective companies participating in the Fund will contribute to realizing the 2050 carbon-neutral target through the further expansion of renewable energy in Japan with their knowledge and expertise.

The overview of the fund as well as the company roles and business policy are stated below.

note) * Long-term power purchase agreement (“PPA”) between energy buyers such as corporates and power producers or retailers.

[Overview of the Fund]

Name	PHOTON Sustainable PV Investment Limited Partnership
General Partner: GP	PHOTON CAPITAL LLC.
Limited Partners: LP	Japan Petroleum Exploration Co., Ltd. JA Mitsui Leasing, Ltd. Chuo-Nittochi Co., Ltd.
Fund Amount	Maximum 10 billion JPY
Fund Term	20years (Investment period: 5years, Operational period: 15years)

【Company roles and Business Policy】

PHOTON Group has been developing and investing in PV projects in Japan and overseas, emphasizing harmony with the surrounding environment and ensuring long-term safety and stability.

While various efforts are being made toward the realization of a carbon-free society, PHOTON has established the Fund to invest mainly in non-FIT PV projects to align with the Japanese government's policy goal of maximizing the installment of renewable energy by 2030. The fund is expected to further accelerate the expansion of non-FIT PV projects as a pioneer.

PHOTON Group will continue to develop and operate PV power plants domestically and internationally to become a leading company in the non-FIT solar power generation business and strive to realize a sustainable clean energy society.

JAPEX positions renewable energy as one of the priority in its medium-term business plan of growing as a "comprehensive energy company," by adding electricity to oil and natural gas business and improve corporate value based on the corporate vision of "stable supply of energy", in addition to "JAPEX 2050" for the realization of a carbon-neutral society in 2050. JAPEX will contribute to the asset management of the projects invested by the Fund through utilizing its business management experience in the development, production and supply of oil and natural gas and natural gas power generation while accumulating the know-how about the renewable energy business for the future non-FIT business era.

JAML has decided to participate in the Fund whose main investment target is non-FIT PV power projects in Japan as part of its strategy, "accelerating renewable energy-related business" in the medium-term management plan "Real Change 2025".

JAML will fully support the Fund not only through initial investment but from a financing perspective.

JAML Group aims to solve social issues through its business activities based on the corporate sustainability policy and will contribute to realizing a carbon neutral target by strengthening the effort to spread renewable energy.

Chuo-Nittochi is actively engaged in business conscious of the environment, society, and governance, and invests in the new challenges and growth with an eye on the future, in an effort of "realizing a sustainable society."

Chuo-Nittochi believes that particularly environmentally conscious business activities are considered a paramount business issue, which ultimately led to its decision to participate in the Fund's future investments in PV projects.

As a comprehensive real estate group that "co-creates the future," Chuo-Nittochi will continue to the development of a sustainable clean energy society and provide reassurance and inspiration to people and society.

<Reference: Outline of each participating company>

PHOTON CAPITAL LLC

Representatives : Managing Partner Yuko Mizuno
Address : Roppongi 6-1-20 Roppongi Denki Building 4th Floor, Minato-ku Tokyo, 106-0032, Japan
Paid-in Capital : 10.2 million yen
Business : Management of investment funds targeting PV projects in Japan
HP : <http://www.photonjapan.com/eng/>

Japan Petroleum Exploration Co., Ltd.

Representatives : Representative Director and President Chief Executive Officer Masahiro Fujita
Address : SAPIA Tower, 1-7-12, Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan
Paid-in Capital : 14.2 billion yen
Business : Exploration, development, production and sales of oil, natural gas, and other resources and contract service-related operations, such as drilling
HP : <https://www.japex.co.jp/en/>

JAMITSUI LEASING, LTD.

Representatives : President & CEO Keito Shimbu
Address : Ginza Mitsui Building, 8-13-1 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Paid-in Capital : 32 billion yen
Business : Leasing, installment sales, financing, other associated business
HP : <https://www.jamitsuilease.co.jp/en/>

Chuo-Nittochi Co., Ltd.

Representatives : President Tetsuo Hiramatsu
Address : Nittochi Building, 1-4-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013, Japan
Paid-in Capital : 17 billion yen
Business : Development, leasing, management and operation of office buildings, commercial facilities, logistics facilities, etc. Development, sales and rental of condominiums and detached houses
HP : <https://www.chuo-nittochi.co.jp/en/>