

For Immediate Release

Hokuto Bank, Ltd.
Shinsei Bank, Limited

Regarding Arrangement of a Syndicated Loan for a Wood Biomass Power Generation Business in Akita-shi, Akita Prefecture

Tokyo (Tuesday, March 31, 2015) --- Hokuto Bank, Ltd. (Akita-shi, Akita Prefecture; President Eikichi Saito; hereinafter, "Hokuto Bank") and Shinsei Bank, Limited (Chuo-ku, Tokyo; President Shigeki Toma; hereinafter, "Shinsei Bank") today announced that they have arranged a syndicated loan for the construction of a wood biomass power plant capable of generating approximately 20 megawatts in Akita-shi, Akita Prefecture, and concluded the related loan contract on March 20, 2015. The facility is sponsored by United Corporation (Katagami-shi, Akita Prefecture; President Hisaki Hirano), Kuni Umi Asset Management Co., Ltd. (Chiyoda-ku, Tokyo; President and CEO Yasuyo Yamazaki; hereinafter, "Kuni Umi Asset Management"), and Renova, Inc. (Chiyoda-ku, Tokyo; President and CEO Yosuke Kiminami; hereinafter, "Renova").

Hokuto Bank and Shinsei Bank have arranged the syndicated loan as lead managers in the total amount of 10.6 billion yen to finance construction costs of the facility. A total of 9 companies are participating in the syndicated loan including Akita prefecture based financial institutions such as The Akita Bank, The Daishi Bank, Akita Shinkin Bank, Ugo Shinkin Bank, Akita-Kenshin, JA Mitsui Leasing and NEC Capital Solutions.

The business entity of this project is United Renewable Energy Co., Ltd., established in October 2013 by United Corporation in order to operate wood biomass power generation businesses utilizing unused timber resulting from forest thinning in Akita Prefecture. The power plant will be constructed on an approximately 2.76 hectare site and is expected to start operations in July 2016. Regarding the stable, long-term procurement of wood chips to be used as fuel, wood chips will be purchased from factories including those to be certified under the "Wood Biomass Energy Usage Facility Organization Project," an initiative by Akita Prefecture to promote the use of wood biomass. In this undertaking, Kuni Umi Asset Management and Renova will participate in and support the operation of the biomass plant leveraging their extensive experience in renewable energy businesses. This is the largest Biomass power generation project utilizing domestic unused timber as the primary fuel source in the Tohoku region. Due to the expectation of a large economic effect in the region including local wood material producers and timber processors, Green Finance Promotion Organization has supported the project by holding preferred shares, and Akita Prefecture is providing working capital through loans utilizing the "*Furusato* (hometown) loan" structure.

Hokuto Bank has been engaged in efforts to "expand the availability of touch points and deepening relationships with customers," as well as has fully supported the "creation of new industries and businesses," in line with its policies of "sales to consulting" and "speed & challenge." The total amount of loans disbursed over the past three years since fiscal year 2013 under Hokuto Bank's Plan800, which emphasizes lending to growth areas including new forms of energy generation, senior citizen related and agricultural businesses in Akita prefecture, has reached 36 billion yen as of February 2015. The arrangement of a syndicated loan for this wood biomass power generation business is expected to contribute to the new energy plan being implemented in Akita prefecture, which will also contribute to the efficient use of unused timber, as well as create new employment opportunities. This project is also the first undertaking by Hokuto Bank as part of its "Regional Area Hokuto Creation Plan" that the Bank will continue promoting into the future.

Shinsei Bank is increasing its efforts in promoting and arranging finance for renewable energy projects, having identified renewable energy businesses as a strategic priority area for the institutional business in its Second Medium-Term Management Plan. Since the implementation of the Act on Special Measures concerning the Procurement of Renewable Electric Energy by Operators of Electric Utilities in 2012, Shinsei Bank has actively supported the renewable energy projects via arrangements of project finance, and the amount of domestic project finance accumulated commitment grew to approximately 100 billion yen as of the end of December 2014. Because this project, in which Shinsei Bank cooperate with regional financial institutions in finance, contributes to regional development and the enhancement of local production and local consumption of energy, Shinsei Bank will continue actively providing finance to renewable energy businesses.

[Project Outline]

Business name: Akita-shi Wood Biomass Power Generation Business
Generation capacity: Approximately 20 megawatts (equivalent to the annual power usage of approximately 38,000 households)
Location: 1-19 Mukaihama 1-chome, Akita-shi, Akita Prefecture
Site area: Approximately 2.76 hectares
Business entity: United Renewable Energy Co., Ltd.
Commencement of operation: July 2016 (scheduled)

[Outline of United Corporation]

Name: United Corporation
Representative: President Hisataka Hirano
Headquarters: 13-1 Aza-tsuki, Showa-toyokawa-tsukinoki, Katagami-shi, Akita Prefecture
Capital: 265 million yen

[Outline of Renova, Inc.]

Name: Renova, Inc.
Representative: President and CEO Yosuke Kiminami
Headquarters: 18th Floor, Tokyo Sankei Building, 7-2 Otemachi 1-chome, Chiyoda-ku, Tokyo
Capital: 1,190 million yen

[Outline of United Renewable Energy Co., Ltd.]

Name: United Renewable Energy Co., Ltd.
Representative: President Hisataka Hirano
Headquarters: 8-1 Mukaihama 1-chome, Akita-shi, Akita Prefecture
Established on: October 10, 2013
Capital: 2 billion yen
Shareholders: United Corporation, Kuni Umi Asset Management Co., Ltd., Renova, Inc.,

[Outline of Kuni Umi Asset Management Co., Ltd.]

Name: Kuni Umi Asset Management Co., Ltd.
Representative: President and CEO Yasuyo Yamazaki
Headquarters: 3rd Floor, Shin-Nisseki Building 4-2 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Capital: 250 million yen

[Outline of Syndicated Loan]

Borrower: United Renewable Energy Co., Ltd.
Contracted amount: Approximately 10.6 billion yen
Participating lenders: Hokuto Bank, Ltd. (arranger (lead manager) and agent), Shinsei Bank, Limited (arranger (lead manager)), The Akita Bank, Ltd., The Daishi Bank, Ltd., Akita Shinkin Bank, Ugo Shinkin Bank, Akita-Kenshin, JA Mitsui Leasing, Ltd., and NEC Capital Solutions Limited
Agreement date: March 20, 2015

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