

June 29, 2022

NTT Anode Energy Corporation

Sumitomo Forestry Co., Ltd.

HASEKO Corporation

Tokyo Century Corporation

Forest Energy Inc.

Morisho Co., Ltd.

TJ Group Holdings Inc.

## Participation in Woody Biomass Power Generation Project in Ikoma City, Nara Prefecture

**Tokyo, Japan, June 29, 2022**--NTT Anode Energy Corporation (head office: Minato-ku, Tokyo; president & CEO: Teruyuki Kishimoto), Sumitomo Forestry Co., Ltd. (head office: Chiyoda-ku, Tokyo; president & representative director: Toshiro Mitsuyoshi), HASEKO Corporation (head office: Minato-ku, Tokyo; president: Kazuo Ikegami), Tokyo Century Corporation (head office: Chiyoda-ku, Tokyo; president & CEO: Koichi Baba), Forest Energy Inc. (head office: Shinagawa-ku, Tokyo; CEO: Shingo Numa), Morisho Co., Ltd. (head office: Hita City, Oita Prefecture; president & CEO: Kazuhiro Moriyama) have decided to participate in the woody biomass power generation project (Ikoma Project) being undertaken in Ikoma City, Nara Prefecture by TJ Group Holdings Inc. (head office: Daito City, Osaka Prefecture; president: Hayato Tono).

### **About Ikoma Project**

The Ikoma Project seeks to build and operate a power plant with a capacity of 9,980 kW that uses approximately 100,000 tons of wood fuel annually to generate roughly 81,000 MWh of electricity each year. The fuel used in this project will include wood waste and unused timber generated in the Kinki region, allowing the supply of electricity from local production for local consumption, including fuel for power generation, to users in this region. In addition, approximately 75% of the generated electricity will be non-FIT electricity that does not depend on the FIT scheme.\*1 This allows carbon-free electricity to be supplied to contribute toward creating a carbon-free town.

\*1. Feed-in tariff scheme for renewable energy

## Overview of Ikoma Project

Operator	BPS Ikoma Co., Ltd.
Location	55-2 Kitatahara-cho, Ikoma City, Nara Prefecture, etc.
Silent partners	NTT Anode Energy Corporation, Sumitomo Forestry Co., Ltd., HASEKO Corporation, Tokyo Century Corporation, Forest Energy Inc., and Morisho Co., Ltd.
Stock investor	TJ Group Holdings Inc.
Capacity	9,980kW using bubbling fluidized bed (BFB) boilers by Sumitomo Heavy Industries, Ltd.
Expected annual electricity generation	Approximately 81,000 MWh (equivalent to annual usage of approximately 20,000 typical households)
Fuel	Wood chips made from wood waste, unused forest materials, etc. generated in the neighboring regions
Start of commercial operations	April 2025 (plan)
Total project cost	Approximately 7 billion yen (of which the senior loan of the loans was obtained through a green loan that received the highest rating of “Green1” by Japan Credit Rating Agency, Ltd.)
Lenders	The Nanto Bank, Ltd. (arranger) San ju San Bank, Ltd. (co-arranger) Japan Finance Corporation

## Overview of sleeping partners

### NTT Anode Energy Corporation


Representative	President & CEO Teruyuki Kishimoto
Address	1-5-1 Otemachi, Chiyoda-ku, Tokyo
Date of establishment	June 3, 2019
Business overview	Renewable energy power generation and smart energy business
Message from the company	As a company that promotes smart energy business making use of the technologies and assets of the NTT Group, NTT Anode Energy develops and provides solutions that maximize synergy with the NTT Group and make more sophisticated use of distributed energy resources—such as renewable energy power generation facilities and storage batteries—to create new systems for energy distribution with partners and realize the invigoration of industry as well as a sustainable society.




## Sumitomo Forestry Co., Ltd.

Representative	Representative Director, President and Executive Officer Toshiro Mitsuyoshi
Address	1-3-2 Otemachi, Chiyoda-ku, Tokyo
Date of establishment	February 20, 1948
Business overview	Environment and resources business such as forest management, timber and building materials business, housing and real estate business in Japan and overseas, and lifestyle services business such as management of private-pay elderly care facilities
Message from the company  住友林業	In February 2022, in anticipation of the SDGs' target year of 2030, Sumitomo Forestry newly formulated a long-term vision "Mission TREEING 2030" which incorporated the ideal form of Sumitomo Forestry into the business concept, with an aim of realizing a decarbonized society. Through Sumitomo Forestry's wood cycle of harvesting and processing, using, recycling, and planting trees, it is possible to increase the CO <sub>2</sub> absorption amount of forests in order to store carbon for long periods by using timber. As a partner of the global shift toward decarbonization, the Sumitomo Forestry Group will provide unique wood solutions and contribute toward the realization of a sustainable society.


## HASEKO Corporation

Representative	President & Representative Director Kazuo Ikegami
Address	2-32-1 Shiba, Minato-ku, Tokyo
Date of establishment	August 22, 1946
Business overview	Construction, real estate, and engineering businesses
Message from the company  長谷工 コーポレーション	<p>In December 2021, the Haseko Group, with Haseko Corporation as the parent company, established its climate change response policy HASEKO ZERO-Emission as an initiative to achieve carbon neutrality by 2050.</p> <p>Under this policy, the basic stance is to make the necessary investments while focusing on technological development relating to low-carbon construction and decarbonized housing, and at the same time, proactively use outside technologies and products that contribute to renewable energy and decarbonization.</p> <p>Under its Corporate Philosophy to "contribute to society by creating an optimal environment for cities and people," the Haseko Group will continue to help create a sustainable society while aiming to solve issues through its operations and improve its corporate value.</p>

## Tokyo Century Corporation


Representative	Representative Director, President & CEO Koichi Baba
Address	3 Kanda-neribeicho, Chiyoda-ku, Tokyo
Date of establishment	July 1, 1969
Business overview	Businesses in equipment leasing in Japan, domestic mobility and fleet management, specialty financing, and international business
Message from the company 	Tokyo Century develops a unique business model that integrates “Finance × Services × Business Expertise” through co-creation with partners in Japan and overseas and focuses on expanding its renewable energy business centered on solar power generation (692 MW as of March 31, 2022). This business contributes toward decarbonization as local biomass power generation for local consumption using domestic timber as fuel, and at the same time, is also positioned as a business that helps to develop the regional economy. Going forward, Tokyo Century will continue to contribute toward the creation of a sustainable society by focusing on the expansion and spread of renewable energy.

## Forest Energy Inc.

Representative	CEO Shingo Numa
Address	3-14-37 Kamiosaki, Shinagawa-ku, Tokyo
Date of establishment	April 10, 2015
Business overview	Regional, circular energy business of wood resources
Message from the company 	Forest Energy is a company that develops and operates a regional, circular woody biomass energy business. In addition to cogeneration for the supply of electricity and heat, recently, the company is also undertaking the carbon negative initiative of burying biochar—obtained after power generation—in agricultural land to sequester carbon. Forest Energy decided to participate in this project as it is a regional, circular woody biomass power plant that matches the company’s business model as well as to support this challenge in the new field of constructing power plants mainly for selling non-FIT electricity. Going forward, as a regional, circular energy company for wood resources, Forest Energy will continue to encourage the use of timber within the region and spread the use of renewable energy.


## Morisho Co., Ltd.

Representative	President & CEO Kazuhiro Moriyama
Address	2813-22 Morodome-machi, Hita City, Oita Prefecture
Date of establishment	October 28, 1998

Business overview	Wood energy business that contributes to resource circulation and rejuvenation of forests through power generation
<p>Message from the company</p> 	<p>Morisho has been paying attention to TJ Group Holdings Inc. as a fellow company in the comprehensive wood resource recycling business that recycles waste into resources. TJ Group Holdings Inc. has a track record of stable operations from immediately after the implementation of the FIT scheme of its urban woody biomass power plant BPS Daito—which uses not only unused forest materials but also wood waste as resources—in Osaka Prefecture’s Daito City. Recently, amid higher dues being paid by users to encourage renewable energy power generation, the Ikoma Project is a woody biomass power plant that uses wood waste without relying on the FIT scheme. As a project that may serve as a model case for the ideal renewable energy power generation facility of the future, it is highly expected to be an urban woody biomass power plant leading the times that can contribute widely. Morisho is truly happy to be able to participate in such an innovative initiative.</p>

## Overview of stock investor

### TJ Group Holdings Inc.

Representative	President Hayato Tono
Address	1266-5 Tatsuma, Daito City, Osaka Prefecture
Date of establishment	December 7, 2018
Business overview	Business for the local production of energy for local consumption that makes effective use of wood resources
<p>Message from the company</p>  <p>TJグループホールディングス</p>	<p>Under the slogan “From region to region,” TJ Group Holdings is a company undertaking local production for local consumption of wood resources, passing the baton from group company to group company: the Urban Tree Recycling Center that manufactures wood fuel, BPS Daito that carries out biomass power generation, and Green Power Daito that supplies locally produced biomass electricity for local consumption. The Ikoma Project was launched to further spread local production for local consumption. The project is planned to deliver approximately 75% of its generated power as non-FIT electricity that does not depend on the FIT scheme. We feel that the participation of many partners in this project shows that the era has come for exploring the ideal shape of energy for the future. TJ Group Holdings will contribute to the realization of a sustainable society through spreading and expanding local production for local consumption of wood resources that converts wood resources generated as part of our lives into electricity—essential for our lives—for use.</p>

**Conceptual image of Ikoma Project**

