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Listed on: Tokyo Stock Exchange Section 1 (Stock code: 8518)
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Notice of Establishment of RMB-Denominated “Tianjin Fund”

Japan Asia Investment Co., Ltd. (hereinafter “JAIC”) announced today that its Board of Directors’ Meeting decided to make an investment to Tianjin Fund (hereinafter “the Fund”) , an investment fund denominated in Renminbi that invests in companies mainly engaged in environmental technology-related businesses, jointly with China Binhai New Area Venture Capital Guiding Fund Co., Ltd.(headquartered at Tianjin, China, represented by Xu Hongzhi, Chairman, hereinafter “Tianjin FoFs”) and Tianjin Eco-City Investment and Development Co., Ltd. (hereinafter “Tianjin Eco-City”).

JAIC makes an investment to the Fund established on schedule as “JAIC Establishes Management Company for Tianjin Fund (RMB Fund)” announced on June 27, 2011 has already mentioned our plan.

The Fund less effects on earnings in this fiscal year, but JAIC Group make every effort to surely generate earnings in the near future, with extending our practice and experience generated by our investment activities in Greater China region.

1. Outline of Tianjin Fund

Name	Japan-Asia (Tianjin) Venture Capital Investment Enterprise (“Tianjin Fund”)
Scheme of the fund	A Sino-Foreign Non-Legal Person Venture Capital Enterprise formed under The Measures of Administration of Foreign-Invested Venture Capital Enterprises of the PRC
Fund management company	Japan-Asia (Tianjin) Venture Investment Management Co., Ltd. (Joint company invested by 70% of JAIC and 30% of Tianjin FoFs)
Investors	JAIC, Tianjin FoFs, Tianjin Eco-City and others
Fund total	RMB 120 million (At the first closing. Targeted to increase to RMB 800 million)
Main investment target	Mainly in companies at growth stage in Tianjin, China, including those engaged in environmental technology-related businesses and other promising businesses in Binhai New Area

2. Background of Establishment of the Tianjin Fund

Tianjin is one of the cities directly controlled by the national government of China and has been experiencing rapid economic growth recently. In the Binhai New Area, facing the Bo Hai Bay, so-called “the third national development project” has been progressing, following projects in Putong Area (Shanghai) and Shenzhen Special Economic Zone.

The government of Tianjin City sets the goal, as its main policy for the Binhai New Area development strategy, to realize recycling-oriented economic system and add high values to the industries. Tianjin FoFs, established with investments by government-funded companies, has promoted development of environment-related industries and other industries and introduction of advanced technologies, through management of joint investment funds with foreign companies.

The JAIC Group has investment experience of more than ten years in Greater China region, with its investment business bases in Hong Kong, Taiwan, Shanghai, Beijing and Shenyang. It has abundant investment experience in environmental protection and energy businesses in Japan and Asia.

The Tianjin Fund is jointly established and operated by Tianjin FoFs, the JAIC Group, and Tianjin Eco-City as a Japan-China joint project. By making the best use of the support from the Tianjin City government and the JAIC Group’s know-how on investment in Greater China region and in the environmental technology-related businesses, the Fund will support companies at the growth stage engaged in environmental technology-related and other promising businesses in the Binhai New Area, while pursuing the improvement of the Fund’s performance.

3. China Binhai New Area Venture Capital Guiding Fund Co., Ltd. (Tianjin FoFs)

China Binhai New Area Venture Capital Guiding Fund Co., Ltd. (Tianjin FoFs) is a fund of funds established in March 2008, of which shares held by Binhai New Area Construction and Investment Group Co., Ltd. and Binhai New Area Technology and Investment Co., Ltd., both Chinese government-funded companies, with the aim to promote venture capital investments, growth of small- and medium-size companies and development of science technologies in the Binhai Area, Tianjin.

URL: <http://www.binhaifof.cn/>

4. Tianjin Eco-City Investment and Development Co., Ltd. (Tianjin Eco-City)

Tianjin Eco-City Investment and Development Co., Ltd. (Tianjin Eco-City) is a Chinese consortium company established by six Chinese government-funded companies, as part of a joint project between China and Singapore.

The Sino-Singapore Tianjin Eco-City Project is a joint project between China and Singapore and is the first national-level big environmental urban development project in China, with the concept of establishing an environmental, energy-saving and recycling-oriented society in the development area of Binhai New Area extending approx. 30km². The Tianjin Eco-City is a pioneer project for environmental urban development in China, expected to become a model case for the future environmental urban development projects in other areas in China.

URL: Sino-Singapore Tianjin Eco-City Project <http://www.eco-city.gov.cn/>

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