

Establishment of Green Power Fuel Corporation

March 7, 2019
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (Head Office: Chuo-ku, Osaka City; Representative Director & President: Takehiro Honjo; hereinafter, “Osaka Gas”; the business group of which is hereinafter “Daigas Group”), in cooperation with Seishin Shinrin Shigen Co., Ltd. (Head Office: Matsusaka City, Mie Prefecture; Representative Director & President: Yukinari Nishikawa; hereinafter, “Seishin Shinrin Shigen”) and Nippon Paper Lumber Co., Ltd. (Head Office: Chiyoda-ku, Tokyo; Representative Director & President: Kunihiko Hayama; hereinafter, “Nippon Paper Lumber”), have established the joint-venture company Green Power Fuel Corporation (hereinafter, “GPF”) that procures and sells domestically grown woody biomass for biomass power plants.

The Daigas Group already operates or plans to operate seven biomass power plants in Japan, including participation in the Matsusaka Woody Biomass Power Plant, which is fueled 100% with locally available biomass. In the course of business, the Group has considered procurement of domestically grown woody biomass with various business operators. In cooperation with Seishin Shinrin Shigen, which has abundant knowledge about the wood industry, and Nippon Paper Lumber, which has a long track record of handling domestically grown woody biomass, the new company GPF will procure and transport unused woods in domestic woodlands as fuel for biomass power generation and stably supply them to multiple biomass power plants owned/developed by the Daigas Group. In the future, the Daigas Group is also studying the possibility of sales to other power generation operators, aiming to consistently expand the business by utilizing each company’s strengths.

By around 2030, the Daigas Group plans to secure about 1 million kW from renewable energy power sources as a company policy. Through the establishment and operation of the new company, the group will continue its aim to sustainably use domestically grown forest resources as well as further expand its renewable energy power sources.

(Attachment 1)

[Outline of company and business]

Name of new company	Green Power Fuel (GPF) Corporation
Head office address	4-1-2 Hiranomachi, Chuo-ku, Osaka City
Representative	Kou Sakanashi, Representative Director
Business lines	Procurement and sales of domestically grown woody fuel for power generation
Capitals	50 million yen
Founded	March 7, 2019
Shareholders	Osaka Gas 55%, Seishin Shinrin Shigen 35%, Nippon Paper Lumber 10%

[Outlines of capital providers]

<Osaka Gas>

Name of company	Osaka Gas Co., Ltd.
Head office address	4-1-2 Hiranomachi, Chuo-ku, Osaka City
Representative	Takehiro Honjo, Representative Director & President
Capital	132,166.66 million yen
Founded	April 10, 1897
Outline of business	Production, supply, and sales of gas; generation, supply, and sales of electricity; etc.

<Seishin Shinrin Shigen>

Name of company	Seishin Shinrin Shigen Co., Ltd.
Head office address	2254 Okatanocho, Matsusaka City, Mie Prefecture
Representative	Yukinari Nishikawa, Representative Director & President
Capital	10 million yen
Founded	January 31, 2019
Outline of business	Management and operation of forest resources; sales, management, and mediation of biomass fuels; etc.

<Nippon Paper Lumber>

Name of company	Nippon Paper Lumber Co., Ltd.
Head office address	Ochanomizu Sola City, 4-6 Kanda Surugadai, Chiyoda-ku, Tokyo
Representative	Kunihiko Hayama, Representative Director & President
Capital	440 million yen
Founded	September 10, 1970

Outline of business	Purchase and sales of domestically grown raw woods and lumbers; purchase and sales of pulpwood and paper mill wood chips; collection and sales of biomass fuel; etc.
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