



NEWS RELEASE

World Heritage Town Hiraizumi and Solar Frontier Agree to 13 MW Megasolar Project

Working side by side: a historical Japanese town and new-age renewable energy

Tokyo — July 25, 2014 — Solar Frontier and the town of Hiraizumi have agreed to build a 13 MW CIS megasolar (“utility-scale”) power plant. Hiraizumi, located in Iwate Prefecture in northeastern Japan, achieved UNESCO world heritage status in June 2011 for its historical temples, gardens and archaeological sites. The new megasolar plant will be located in Kagonezawa District of Hiraizumi on 30 hectares of land designated for commercial use.

Solar Frontier will operate and manage the megasolar power plant – a service provided by the company as part of its total system solutions offering. The electricity generated at the facility will be sold to Tohoku Electric Power Company and is expected to nearly equal the amount of electricity consumed annually by almost all of Hiraizumi’s 2,630 households*.

The project, initiated by Hiraizumi, has received the support of local residents. “Through Hiraizumi’s local residents, we are proving that historical sites and renewable, clean energy can exist side by side,” said Masayoshi Sugawara, Mayor of Hiraizumi, who is looking to promote sustainable development of urban areas in Japan and overseas. Part of the income generated by the power plant will go toward preserving the world heritage site.

Solar Frontier’s CIS modules were selected for their higher electricity yield (kWh/kWp) than crystalline silicon modules in real operating conditions, and because Solar Frontier’s modules have a unique design that promotes snow sliding off the modules. In addition, the all-black aesthetic appearance of Solar Frontier’s CIS modules fits Hiraizumi’s city plan, accentuating its historical and natural advantages.

For Solar Frontier, this is also an opportunity to contribute to the local economy by working with local companies. Together with Solar Frontier’s upcoming Tohoku Plant, this project demonstrates the company’s stronger presence in the Tohoku region of Japan.

Through this project, Solar Frontier and Hiraizumi are promoting the development of renewable energy in support of historical sites and urban development.

*Based on Japan Photovoltaic Energy Association’s announced rule for industry self-regulation 2012 edition.

【Project Overview】

Location:	Kagonezawa District, Hiraizumi
Leased Area:	Approx. 30ha (Hiraizumi 27 ha、Yamanome-Seisan-Shinrin-Kumiai 3ha)
System Size:	13 MW
Scheduled Start of Construction:	March, 2015
Scheduled Completion:	2016

【Installation Site – Open Land for Commercial Development】



【Motsu-ji Jodo Teien , one of the world heritage sites in Hiraizumi world heritage】



About Hiraizumi Town

The town of Hiraizumi is located in southern Iwate prefecture, 83km from the capital, Morioka city. It borders Ichinoseki city to the south and Oshu city to the north. The total area is 63.39 km² and is the smallest town in the prefecture. Hiraizumi enjoys convenient access, located between Morioka city, and the biggest city in the region, Sendai city. National route 4, the Tohoku Expressway and JR Tohoku Main Line run through the town north to south. Kitakami River runs through the center of Hiraizumi City and you are also met with beautiful countryside scenery spread on both sides. Tabashine mountain, Otowa mountain and Kan-non mountain of the Kitakami mountains, are on the east of town and the 100m-200m heights hills spread from Ou mountains on the west. As of April 2014, 8,153 people and 2,637 households reside in the town. The agricultural industry accounts for 30% of domestic business and rice is the main crop. "Temples, Gardens and Archeological Sites Representing the Buddhist Pure Land" was registered as a World Heritage site during the committees 35th session held in Paris, France in June 2011. This is the country's 16th location as a World Heritage location and 12th as a World Cultural Heritage location in Japan. The heritage is composed of national treasures such as "Konjiki-Do temple" and "Motsu-ji temple," which were built spanning three generations of the Fujiwara family on the basis of peace and equality.

About Solar Frontier

Solar Frontier K.K., a 100% subsidiary of Showa Shell Sekiyu K.K. (TYO:5002) ("Solar Frontier"), has a mission to create the most economical, ecological solar energy solutions on

Earth. Building on a legacy of work in solar energy since the 1970s, Solar Frontier today develops and manufactures CIS (denoting copper, indium, selenium) thin-film solar modules for customers in all sectors around the world. Solar Frontier's gigawatt-scale production facilities in Miyazaki, Japan, integrate compelling economical and ecological advantages into every module: from lower energy requirements in manufacturing to the higher overall output (kWh) of CIS in real operating conditions. Solar Frontier is headquartered in Tokyo, with offices in Europe, the U.S.A., and the Middle East. Visit www.solar-frontier.com for more information.

Showa Shell Sekiyu K.K.

Showa Shell Sekiyu K.K. is listed on the Tokyo Stock Exchange and has roots dating back more than 100 years in the downstream energy business.

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