

3. Examples of Business Outcomes in FY2020

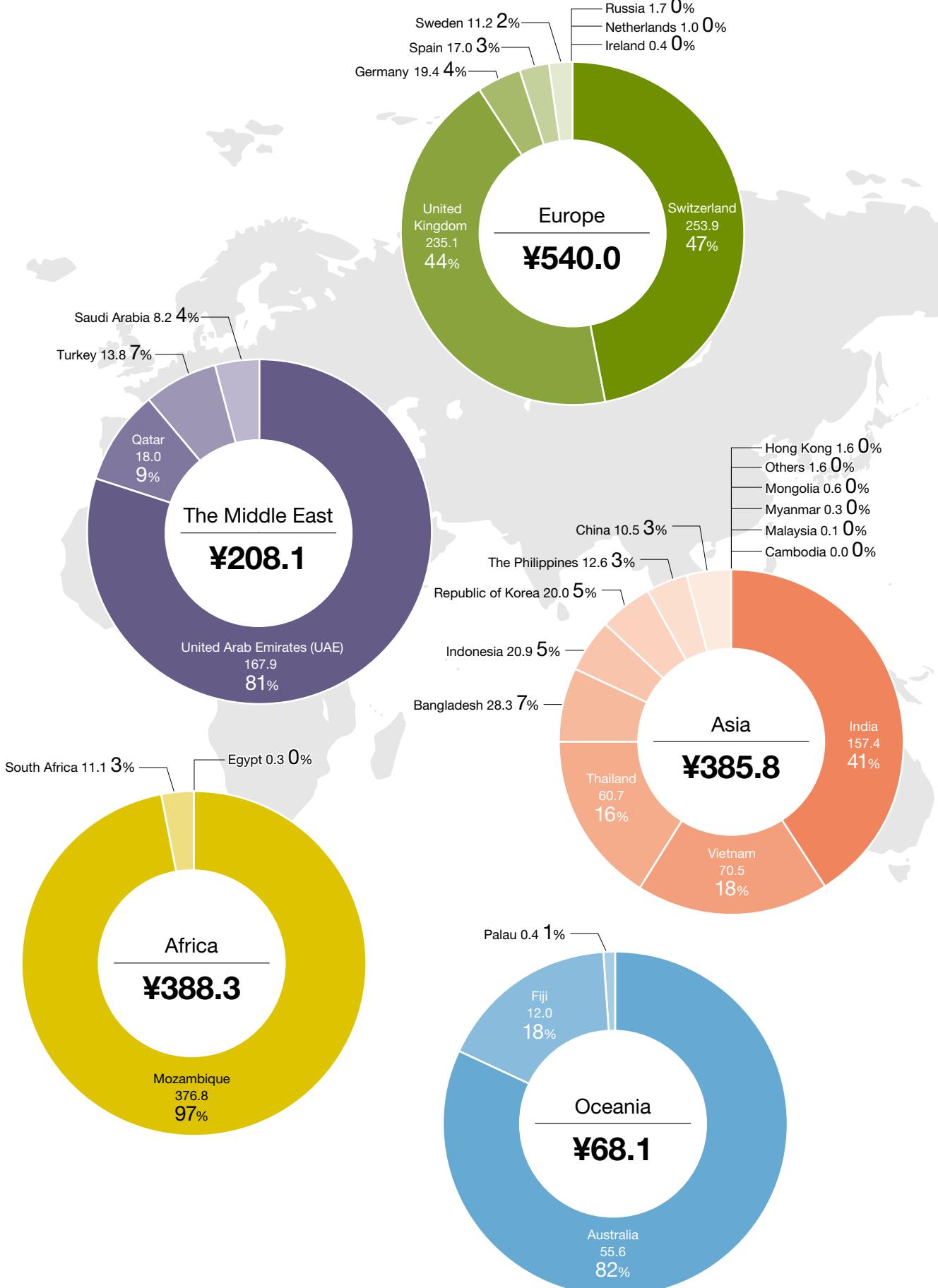
1. Overview of Business Outcomes by Region.....	44
2. Examples of Business Outcomes by Region.....	46
3. Examples of Business Outcomes Relating to Support for Mid-tier Enterprises and SMEs.....	54
4. Examples of Business Outcomes Relating to Environment	58
5. Examples of Business Outcomes Relating to Studies and Collaboration with Overseas Governmental Organizations and International Organizations.....	61

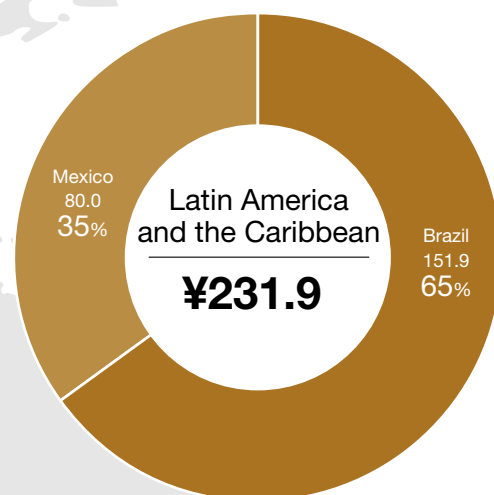
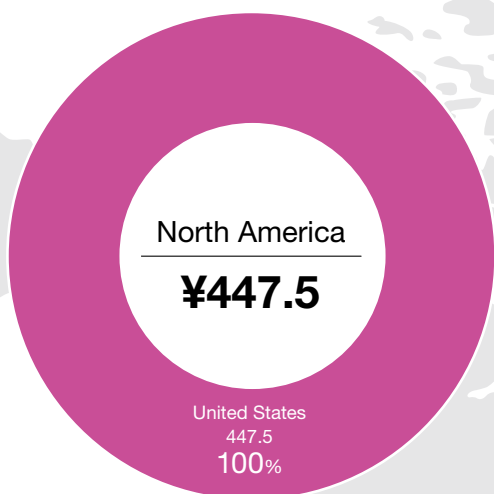


1. Overview of Business Outcomes by Region

Geographical Distribution of Loan and Equity Participation Commitments

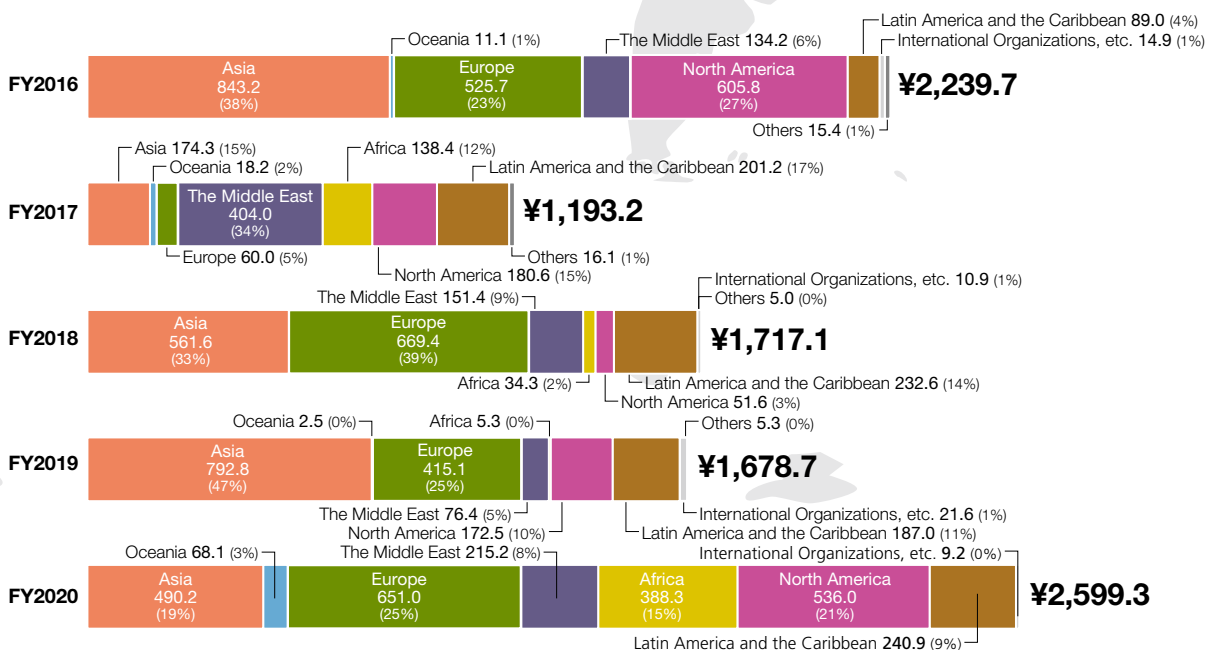
(FY2020; unit: billions of yen)





Transition in Composition of Commitments by Region (Loans, Equity Participations, and Guarantees) over the Last 5 Years

(Unit: billions of yen)



2. Examples of Business Outcomes by Region

Asia



China

Loan for Japanese Company to Acquire a Stake in Chinese Steel Company

Supporting overseas M&A of Japanese company

JBIC concluded a loan agreement with JFE Holdings, Inc. to provide part of the funds necessary for JFE Steel Corporation¹ (JFE Steel) to acquire a stake in Baosteel Special Steel Shaoguan Co., Ltd. (BSSS) of China.

BSSS is an affiliate of China BaoWu Steel Group Corporation Limited, the largest state-owned steel company in China, and manufactures and sells specialty bar steel² mainly used for automotive parts. Demand for specialty bar steel from manufacturers, including China-based Japanese automobile manufacturers, is expected to grow steadily in China, the world's largest automobile market. JFE Steel aims to further cultivate the Chinese market and establish the JFE brand more broadly by acquiring a 50% stake in BSSS and engaging, through BSSS, in the manufacturing and sales business of specialty bar steel mainly for automobiles.

This loan will support overseas expansion of existing business as well as new business deployment of the Japanese company by providing long-term foreign currency funds necessary for its overseas M&A activities.



Indonesia

Loan for Processed Agricultural Products Business of Japanese Company

Supporting overseas business expansion of Japanese company

JBIC concluded a loan agreement with PT. JAVA AGRITECH (JAT), an Indonesian subsidiary of VOX TRADING CO., LTD., which is a subsidiary of HOUSE FOODS GROUP INC. (HOUSE FOODS GROUP). The loan is intended to provide the funds required by JAT to conduct business in processed agricultural products including wasabi and spices and in the manufacture of foods such as halal curry in Indonesia.

HOUSE FOODS GROUP regards JAT as an important production base in the ASEAN region and aims to further increase its production capacity by enhancing its equipment and machinery. The loan will support HOUSE FOODS GROUP's overseas business expansion, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.

As Japan's policy-based financial institution, JBIC will continue to provide financial support to assist Japanese companies in the overseas expansion of their businesses by drawing on its various financial facilities and schemes for structuring projects and by performing its risk-assuming function.



Vietnam

Loan for Industrial Machinery Cutting Tools Manufacturing and Sales Business of Japanese Company

Supporting overseas business expansion of Japanese company

JBIC concluded a loan agreement with KANEFUSA CORPORATION (KANEFUSA) to provide the funds required by KANEFUSA VIETNAM MANUFACTURING CO., LTD. (KFVM), a Vietnamese subsidiary of KANEFUSA, to conduct the business of manufacturing and sales of its products including industrial machinery cutting tools.

KANEFUSA holds the top share in the Japanese market of industrial machinery cutting tools used for processing wood, paper, metals, etc. and has unique technology for coating, which improve the durability of blade edges, and technology for reducing cutting noises. Overseas, KANEFUSA has production bases and sale bases in nine countries including China and Vietnam. It enhanced its production capacity through KFVM, which was founded in 2018, and aims to further expand business operations in the global market.

The loan will support KANEFUSA's overseas business expansion, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.



1. JFE Steel Corporation is a wholly-owned subsidiary of JFE Holdings, Inc.

2. Bars of specialty steel, mixed with carbon as well as chromium, nickel and other elements, is thermally processed to increase the strength and workability of steel. Mainly used for automotive parts and parts for industrial machinery.



Philippines

Loan for Automobile Manufacturing and Sales Business of Japanese Company

Supporting overseas business expansion of Japanese automobile manufacturer

JBIC concluded a loan agreement with Mitsubishi Motors Philippines Corporation (MMPC), a Philippine subsidiary of Mitsubishi Motors Corporation (Mitsubishi Motors). The loan is intended to provide the necessary funds for MMPC to manufacture and sell automobiles in the Philippines.

Mitsubishi Motors, in its Mid-Term Business Plan (2020-2022), aims to concentrate its management resources in the ASEAN region, where it is competitive, and maintain/grow market share by enhancing its sales network and production capacity as well as product development in the region. This loan is intended to support Mitsubishi Motors' overseas business in the Philippines, which is strategically important in the ASEAN region for the company, contributing to maintaining and improving the international competitiveness of Japanese automobile industry.



Bangladesh

Project Financing for Meghnaghat Natural Gas-Fired Combined Cycle Power Plant Project

Supporting Japanese company's participation in power development project

JBIC concluded a loan agreement with Reliance Bangladesh LNG & Power Limited (RBPL) in Bangladesh, in which JERA Co., Inc. holds an equity stake, to provide project financing for the country's Meghnaghat Natural Gas-fired Combined Cycle Power Plant.

In this project, RBPL will build, own and operate a 718MW Natural Gas-fired Combined Cycle Power Plant at Meghnaghat, located some 40 km southeast of the capital Dhaka. The electricity produced by the plant will be sold to Bangladesh Power Development Board for 22 years.

Bangladesh is expected to see an average electricity demand increase of about 6.6% per year until 2040 on the back of strong economic growth. On the other hand, electricity supply has fallen behind demand and the country thus continues to face an electricity shortage. Under such circumstances, the Bangladesh government promotes the expansion of electricity supply according to its Power System Master Plan. This loan will contribute to economic development through stable electricity supply in the country.



Oceania



Australia

Loan for Acquisition of Australian Company's Business by Nippon Paper Industries

Supporting overseas M&A of Japanese company

JBIC concluded a loan agreement with Nippon Paper Industries Co., Ltd. The loan is intended to finance part of the funds necessary for Paper Australia Pty Ltd., an Australian subsidiary of Nippon Paper Industries, to acquire the paperboard and fibre based packaging business of Orora Limited (Orora) in Australia and New Zealand.

The business has large market share in Australia and New Zealand through a highly integrated business model, from wastepaper collecting to packaging box converting, ancillary material supply and associated services. The packaging board market in both countries is expected to make steady growth due to the stable demand for packaging for agricultural and livestock products as well as beverages and the growing needs of e-commerce and home delivery. Nippon Paper Industries has already operating the packaging board business in both countries since it acquired Paper Australia Pty Ltd. in 2009, and by acquiring the paperboard and fibre based packaging business, Nippon Paper Industries aims to develop a highly integrated system from wastepaper collecting to base paper manufacturing and converting in order to further expand its business.



Fiji

Equity Participation in Energy Fiji Limited

Supporting overseas business expansion of Chugoku Electric Power Co., Inc.

JBIC made a joint investment with The Chugoku Electric Power Co., Inc. (Chugoku) in Energy Fiji Limited (EFL) in Fiji.

EFL is the vertically integrated electric utility that generates, transmits and distributes electricity throughout Fiji. The Fijian government has a majority shareholding in EFL, and EFL aims to promote renewable energy projects based on the government's renewable energy introduction target.

Chugoku aims to pursue investment opportunities for overseas renewable energy projects and participate in power transmission and distribution, retail and new power-related businesses. Chugoku, through its investment in EFL, expects to enhance its know-how and technology cultivated through its domestic and overseas electricity business and plans to use such know-how and technology to further expand its business overseas. The Japanese government, on the other hand, has expressed its intention to support Japanese companies' overseas activities including the overseas expansion of quality infrastructure for a decarbonized society.

JBIC's investment in EFL is intended to support the overseas expansion of Chugoku and is in line with the Japanese government's policy.



Palau

Buyer's Credit for State-Owned Submarine Cable Corporation of Palau

Supporting export of communications infrastructure equipment by Japanese company

JBIC concluded a buyer's credit (export finance)¹ agreement with Belau Submarine Cable Corporation (BSCC), a state-owned public submarine cable corporation of Palau. The loan is intended to provide the funds necessary for BSCC to purchase submarine cable-related equipment from NEC Corporation. The project reinforces the communications infrastructure of Palau, an island state in the Indo-Pacific region, thereby contributing toward increasing its communication capacity and raising the stability of its international communications. With the improvement of the communications infrastructure, the investment environment of Palau will also improve.

In November 2018, JBIC signed a Memorandum of Understanding (MOU) on the Trilateral Partnership for Infrastructure Investment in the Indo-Pacific with the Overseas Private Investment Corporation (OPIC, currently the U.S. International Development Finance Corporation: DFC) of the U.S. and the Department of Foreign Affairs and Trade (DFAT) and Export Finance and Insurance Corporation (Efic, currently Export Finance Australia: EFA), both of Australia. The MOU aims to realize individual projects undertaken with the cooperation of Japanese, U.S., and Australian companies in third countries within the Indo-Pacific region. This is the first project conducted under the Trilateral Partnership.



1. Buyer's credit is a loan JBIC extends directly to a foreign importer (buyer) to finance the import of machinery and equipment or others from a Japanese company.

Europe



Russia

Loan for Automobile Logistics Business in Russia

Supporting overseas business expansion of Japanese company through Ruble-denominated loan

JBIC concluded a loan agreement with Limited Liability Company NYK Auto Logistics (Rus) (former Limited Liability Company Rolf-Logistic), a Russian subsidiary of Nippon Yusen Kabushiki Kaisha (NYK Line). The loan is intended to provide the funds necessary for the automobile logistics business which NYK Auto Logistics (Rus) is conducting in Moscow, Russia.

NYK Line, under its car transportation division, operates terminals for automobile transport around the world as well as marine transport services with the world's largest car carrier fleet of approximately 100 vessels. As Japanese auto manufacturers have production bases in Russia, the country has strong demand for automobile transport. NYK Line will provide comprehensive automobile logistics services, from marine transport to terminal operation and inland transport, through NYK Auto Logistics (Rus) with this financing. This local currency loan is intended to support NYK Line in expanding its overseas business, and will contribute to maintaining and strengthening the international competitiveness of Japanese companies.



Ireland

Equity Participation in Exergy Power Systems Europe Limited in Ireland

Supporting overseas business expansion of Japanese company

JBIC made an equity investment in Exergy Power Systems Europe Limited (EE), an Irish subsidiary of Exergy Power Systems, Inc. (Exergy), to support Exergy in providing ancillary services to adjust electric power supply² in the island of Ireland.

Exergy is a startup established at the University of Tokyo Hongo Campus in 2011 to develop, produce, sell and operate next-generation power battery systems. Exergy aims to enter the ancillary services market in the island of Ireland, capitalizing on the fast response capability, high discharge capacity, and excellent durability of their proprietary next-generation batteries.

In the Fifth Strategic Energy Plan and the Growth Strategy Implementation Plan, the Japanese government expressed its intention to promote the introduction of renewable energy both in and outside the country, as well as to utilize batteries and enhance their capability for achieving decarbonization. JBIC's investment in EE is intended to support overseas business expansion by Exergy and is in line with the Japanese government's policy to contribute toward preserving the global environment through the utilization of Japanese technology.



Switzerland

Loan for Hitachi, Ltd. to Acquire Power Grids Business of Swiss Company

Supporting overseas M&A of Japanese company in energy solutions business

JBIC concluded an individual loan agreement with Mizuho Bank, Ltd., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation and Hitachi, Ltd. (Hitachi) to finance part of the funds required by Hitachi to complete the acquisition of the power grids business of ABB Ltd, a Swiss company, in July 2020. JBIC provided a loan through each bank under a general agreement, which JBIC has already concluded with private financial institutions to provide an M&A credit line, and also extended a loan directly to Hitachi through co-financing with private financial institutions.

Hitachi is developing and promoting globally advanced energy solutions by combining the technology and knowhow of the acquired power grids business, which enjoys the world's top share, with Hitachi's digital technologies, including Lumada³.

JBIC will support overseas expansion of existing business as well as new business deployment of Japanese companies by flexibly providing long-term foreign currency funds necessary for their overseas M&A activities in collaboration with private financial institutions.



2. As the amount of electricity generated from renewable energy such as wind is influenced by natural conditions, it is difficult to synchronize generation with electricity demand. In order to further expand the use of renewable energy for power generation, it is essential to introduce an ancillary power source that can respond instantly and immediately discharge large amounts of electricity to match electricity supply and demand.
3. Collective name referring to solutions service technology that leverages Hitachi's advanced digital technologies.

Middle East



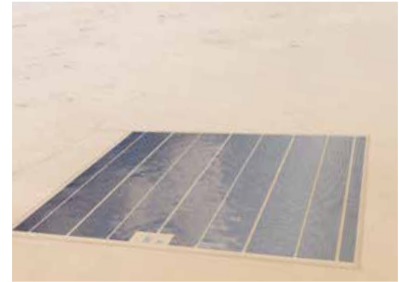
Qatar

Project Financing for First Large-Scale Solar PV Project in Qatar

Supporting overseas business development of Japanese company

JBIC concluded a loan agreement with Siraj (1) (SIRAJ1) of Qatar, in which Marubeni Corporation holds an equity stake. JBIC will provide project financing for the Al Kharsaa Solar PV Plant located in Qatar. In this project, SIRAJ1, which was established by Marubeni Corporation together with Qatar Petroleum, Qatar Electricity & Water Company Q.P.S.C., and TOTAL S.A. will build, own and operate an 800MW solar PV plant in Al Kharsaa, located approximately 80km to the west of Doha, the capital of Qatar. The electricity produced by the plant will be sold to Qatar General Electricity and Water Corporation for 25 years. The project is the first large-scale solar PV project in Qatar.

The Qatari government aims to increase the proportion of renewable energy in the country's total electricity generation to 20% by 2030. This project is therefore aligned with the energy policy of the Qatari government. This loan is in line with policies "Export Strategy for Infrastructure System", "Strategic Energy Plan" of the government as it will contribute to Japanese industry maintaining and enhancing its international competitiveness by financially supporting those Japanese companies that invest in overseas infrastructure projects as well as operate and manage these facilities on a long-term basis.



Saudi Arabia

JBIC Signs MOU with Saudi Electricity Company

Strengthening cooperation for promoting energy transition and environmental and social sustainability

JBIC concluded an MOU for strengthening strategic partnership in the power sector with Saudi Electricity Company (SEC).

SEC is a vertically integrated electric utility that generates, transmits and distributes electricity throughout Saudi Arabia and is 81% indirectly owned by the government of Saudi Arabia. JBIC has been building a relationship with SEC by also providing a loan to its power generation project in 2013.

The objective of this MOU is to develop solutions to SEC's challenges in the power sector through investments by Japanese companies and/or introduction of Japanese products and technologies and to cooperate to promote energy transition in the power sector and environmental and social sustainability, which are pursued by the government of Saudi Arabia.

JBIC will continue to endeavor to create business opportunities and promote business for Japanese companies in countries such as Saudi Arabia, as well as support further deepening and development of economic ties between two countries, through cooperation with overseas state-owned power companies.



United Arab Emirates (UAE)

Project Financing for Natural Gas-fired Combined Cycle Power Plant

Supporting overseas development of clean energy business of Japanese company

JBIC concluded a loan agreement with Fujairah Power Company F3 LLC (FPCOF3) in the Emirate of Fujairah (Fujairah), UAE, in which Marubeni Corporation holds an equity stake, to provide project financing for the Fujairah F3 Natural Gas-fired Combined Cycle Power Plant. In this project, FPCOF3 will build, own and operate a 2,400MW Natural Gas-fired Combined Cycle Power Plant located in Qidfa, Fujairah. The electricity produced by the plant will be sold to the Emirates Water and Electricity Company in the Emirate of Abu Dhabi for 25 years.

The UAE government aims to increase the contribution of clean energy, and the project is aligned with the government's energy policy as the Natural Gas-fired Combined Cycle Power Plant adopted in the project is highly efficient and has high operational flexibility. This loan is also in line with the Infrastructure System Overseas Promotion Strategy 2025 and the Strategic Energy Plan promoted by the Japanese government and will contribute to Japanese industry maintaining and enhancing its international competitiveness by financially supporting those Japanese companies that invest in overseas infrastructure projects as well as operate and manage these facilities on a long-term basis.



Africa



Mozambique

Project Financing for Mozambique LNG Project (Rovuma Offshore Area 1 Block)

Contributing to securing energy resources for Japan

JBIC concluded a loan agreement in project financing to the Mozambique LNG project (Rovuma Offshore Area 1 Block), in which Mitsui & Co., Ltd. (Mitsui) and others hold a stake. For this project, Mitsui and the Japan Oil, Gas and Metals National Corporation (JOGMEC), jointly with Total S.A. of France, Empresa Nacional de Hidrocarbonetos E.P. of Mozambique and others, will develop the Golfinho/Atum gas field located off the coast of Province of Cabo Delgado in the northernmost part of Mozambique; transport feed gas through subsea gas pipeline to the onshore liquefaction plant to be constructed; and produce and sell liquefied natural gas (LNG) with an annual production capacity of 13.12 million tons.



Natural gas produces less greenhouse gases than other fossil fuels and mitigates environmental impacts. Japanese utility companies are expected to offtake approximately 30% of the LNG produced by this project, and this will represent Japan's first import of LNG produced in Mozambique. As such, JBIC's support for this project will contribute to securing stable supplies of LNG, which is an important energy resource for Japan, and to diversifying the country's LNG supply sources.



Benin

First Credit Line to Government of Benin under GREEN Operations

Supporting environmental preservation projects in Benin

JBIC concluded a general agreement to provide a credit line with the government of Benin. The credit line, JBIC's first extended to Benin, is intended to provide, through the government of Benin, the funds necessary for implementing environmental preservation projects in the country under GREEN operations.

The government of Benin signed the Paris Agreement in 2016 and formulated a plan consisting of measures against climate change in 2017. The government expressed its determined commitment to the measures against climate change by, for example, aiming to reduce greenhouse gas emissions, excluding the forestry sector, by 21.4 % compared to the business-as-usual scenario by 2030. The credit line is expected to contribute toward reducing greenhouse gas emissions through the promotion of environmental preservation projects in Benin and to help realize sustainable development of Benin itself. It is also in line with the Long-Term Strategy under the Paris Agreement as the Growth Strategy established by the Japanese government in June 2019.



South Africa

South African Rand Denominated Loan for Manufacturing and Sales Business of Automotive Tires by Japanese Company

Supporting overseas business expansion of Japanese company through local currency denominated financing

JBIC concluded a loan agreement with Bridgestone Europe NV/SA (BSEU), a Belgian subsidiary of Bridgestone Corporation (Bridgestone). The purpose of this loan is to provide part of the funds necessary to upgrade equipment in the automotive tire manufacturing plant of Bridgestone's South African subsidiary, Bridgestone South Africa Holding (Pty) Ltd, through BSEU.



South Africa is the biggest automobile market in Africa and drives Africa's automotive industry as a production base for automobile and auto-parts manufacturers. Future market expansion is forecast due to a growing population and a developing economy. Amidst this backdrop, Bridgestone, boasting the top share in the global tire market, plans to increase its production capacity and market share in South Africa by upgrading the equipment in its automotive tire manufacturing plant located in the country. This loan will thus contribute to Japanese industry maintaining and improving its international competitiveness by supporting the overseas business expansion of Bridgestone through funding denominated in South African Rand.

North America



United States

Loan for Mitsubishi Chemical Holdings Corporation to Acquire Gelest Intermediate Holding, Inc. of the U.S.

Supporting overseas M&A of Japanese company

JBIC concluded a loan agreement with Mitsubishi Chemical Holdings America, Inc., a U.S. subsidiary of Mitsubishi Chemical Holdings Corporation (Mitsubishi Chemical HD).

The loan is intended to provide the funds required for Mitsubishi Chemical HD to acquire Gelest Intermediate Holdings, Inc., the parent of U.S.-based Gelest, Inc. (Gelest), through Mitsubishi Chemical America, Inc., a U.S. subsidiary of Mitsubishi Chemical Corporation (Mitsubishi Chemical), which is another subsidiary of Mitsubishi Chemical HD.

Gelest has advanced molecular design and synthesis technologies in such fields as silicon chemicals and metal-organic compounds. By acquiring Gelest, Mitsubishi Chemical aims to enhance its ability to provide solutions and make a greater contribution to the digitalization of society and evolution of medical services. This loan will support the overseas business expansion of Mitsubishi Chemical.



United States

Loan for Automotive Composite and Component Manufacturing and Sales Business

Supporting overseas business expansion of Japanese company

JBIC concluded a loan agreement with Teijin Holdings USA, Inc. (THUS), a U.S. subsidiary of TEIJIN LIMITED (TEIJIN). This loan is intended to provide, through THUS, the funds required by Teijin Automotive Technologies NA Holdings Corp. (TAT), another U.S. subsidiary of TEIJIN, to conduct the business of manufacturing and sales of its products, including automotive composites and components. It will also be used to strengthen production capacity and to build a new facility.

TEIJIN acquired TAT in 2017 and has enhanced its capability to propose solutions by combining TEIJIN's technology of carbon fiber reinforced plastics and composite materials and TAT's mass production technology for glass fiber reinforced plastics and components. The company endeavors to increase sales of the composites and components that help to make automobiles lighter and also aims to establish a global and stable supply system by expanding the business from North America to Europe and China, utilizing TAT's mass production technology and strong relationship with automobile manufacturers. The loan will support TEIJIN's overseas business expansion, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.



United States

Loan for Steel Product Manufacturing and Sales Business

Supporting overseas business expansion of Japanese steel industry

JBIC concluded a loan agreement with AM/NS Calvert LLC (Calvert), a U.S.-based joint venture between NIPPON STEEL CORPORATION (NIPPON STEEL) and Luxembourg-based ArcelorMittal S.A. (ArcelorMittal). The loan is intended to provide the funds required by Calvert¹, to build a new electric arc furnace (EAF) for its steel sheet manufacturing and sales business in the State of Alabama of the U.S.

The U.S. is the world's second largest steel products consuming country, where stable demand for steel products for automobiles, including which from Japanese manufacturers, infrastructure and other purposes, is expected to continue. NIPPON STEEL aims to utilize the new EAF to further strengthen Calvert's ability to supply a full range of products, including state-of-the-art steel products in North America, and to obtain alternative manufacturing processes for high-grade steel sheets in addition to the blast furnace process for future global business expansion. Overall, the loan will support NIPPON STEEL's global business expansion, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.



1. In 2014, NIPPON STEEL and ArcelorMittal jointly acquired ThyssenKrupp Steel USA LLC which was renamed as AM/NS Calvert LLC after the acquisition.

Latin America



Brazil

Project Financing for FPSO Operation Project in the Buzios Oil Field of Brazil

Supporting offshore resource development business and strengthening international competitiveness of Japanese company

JBIC concluded a loan agreement in project financing with Dutch company Buzios5 MV32 B.V. (BMV32), which is incorporated by MODEC, Inc. (MODEC), Mitsui & Co., Ltd., Mitsui O.S.K. Lines, Ltd. and Marubeni Corporation. The purpose of the loan is to finance long-term FPSO² vessel chartering services to Petróleo Brasileiro S.A. (Petrobras), a state-owned oil company in Brazil, for developing the Buzios oil field³ located off the coast of Brazil and in which Petrobras and other field partners hold interests.

In this project, MODEC will build an FPSO unit, and BMV32 will provide FPSO vessel chartering services, including leasing, operation and maintenance services, to Petrobras for 21 years.

In recent years, the demand for new FPSO systems is expected to increase particularly in South America (namely Brazil) and the West African region. Petrobras is engaged in developing many offshore oil fields in Brazil. MODEC views Brazil as the most important market for the FPSO business. This project is the 12th FPSO vessel chartering service provided by MODEC to Petrobras.



FPSO system, similar to the one being financed, operating off the coast of Brazil (Photo courtesy of MODEC)



Brazil

Loan for Crop Protection Products Manufacturing and Sales Business

Supporting overseas business expansion of Japanese chemical manufacturer

JBIC concluded a loan agreement with Sumitomo Chemical Brasil Indústria Química S.A. (SCBIQ), a Brazilian subsidiary of SUMITOMO CHEMICAL COMPANY, LIMITED (SUMITOMO CHEMICAL). The loan is intended to provide part of the funds necessary for SCBIQ to conduct the business of manufacturing and sales of crop protection products in Brazil.

The Brazilian crop protection products market, which is the largest in the world, is projected to grow further in line with the growing global demand for food. SUMITOMO CHEMICAL aims to increase its share of the market by enhancing its sales system built in Brazil and launching new fungicides.

The loan will support SUMITOMO CHEMICAL's overseas business expansion, thereby contributing to maintaining and improving the international competitiveness of Japanese industry.



2. A floating production, storage and offloading (FPSO) system is a floating vessel used in the first stage processing of crude oil produced at an oil well. It separates associated gas and water, and also stores and offloads oil.

3. This oil field is located in the pre-salt layer of the Santos Basin, which is approximately 180 kilometers off the southeast coast of the state of Rio de Janeiro.

3. Examples of Business Outcomes Relating to Support for Mid-tier Enterprises and SMEs

JBIC supports mid-tier enterprises and SMEs in a wide range of industries with their overseas business deployment.

China

TONEZ METAL TREATING CO., LTD. (Osaka Prefecture)

Heat Treatment Business of Metals and Components

TONEZ METAL TREATING is a company engaged in a broad range of heat treatment of metals and components, including steel bars. Anticipating demand growth in the Chinese market for heat treatment of metals for automotive parts, the company established its first overseas base, TOYO METAL TREATING (CHANGZHOU) CO., LTD. (TMTC) in Jiangsu, China and is seeking to further increase its production capacity in the country. JBIC provided a Chinese yuan-denominated loan to TMTC to make capital investment for its metal treatment business in Jiangsu. The loan is co-financed with THE SAN-IN GODO BANK, LTD. and The Nanto Bank, Ltd.



Cambodia

Ascent Business Consulting Co., Ltd. (Tokyo)

Consulting and Co-working Space Businesses

Ascent Business Consulting (ABC) is a company engaged in the consulting and co-working space businesses. Co-working spaces are already popular in developed countries, mainly in Europe and the U.S., and future growth in demand is expected in countries in Southeast Asia, including Cambodia. In 2019, ABC established its first overseas base, BasisPoint Cambodia Co., Ltd. (BPC), in the country and is seeking to expand the co-working space business overseas. JBIC provided a loan to BPC for its co-working space business in Phnom Penh, the capital of Cambodia. The loan is co-financed with THE SHIGA BANK, LTD.



Indonesia

SHINKO KOGYO CO., LTD. (Okayama Prefecture)

Automotive Parts Manufacturing and Sales Business

SHINKO KOGYO is engaged in the manufacture and sale of a range of automotive parts from propeller shafts to transmissions and has expanded its business overseas, in Thailand, China and Indonesia. JBIC provided an Indonesian rupiah-denominated loan to its subsidiary in Indonesia, PT. Shinko Kogyo Indonesia (PT. SKI), to build an additional manufacturing facility in Karawang Regency, Indonesia. The loan is co-financed with TOMATO BANK, LTD. By making additional capital investment in PT. SKI, SHINKO KOGYO seeks to increase market share in Indonesia, where economy is growing.



Indonesia**ZENITH Co., Ltd. (Shiga Prefecture)**

Automobile Maintenance Business

ZENITH is a company engaged in the new and used automobiles sales business and automobile maintenance business in Shiga Prefecture. Anticipating an increase in automobile ownership ratio among citizens and an associated rise in demand for automobile maintenance in Indonesia, the company has established an Indonesian subsidiary, PT. ZENITH AUTO GEMILANG (ZAG), as its first overseas base and is seeking to secure business opportunities in the Indonesian market. JBIC provided a loan to ZENITH for ZAG's automobile maintenance business in Indonesia. This is co-financing with Kansai Mirai Bank, Limited.

**Malaysia****Asahi Kinzoku Kogyo Inc. (Kyoto Prefecture)**

Surface Treatment Business of Aerospace Parts

Asahi Kinzoku Kogyo is a company capable of conducting comprehensive production from the processing to subassembly of aerospace parts and has a particular strength in its surface treatment technology, which is a special process. It has been certified by The Boeing Company and other major suppliers in and outside Japan and has acquired, for the first time in Japan, Nadcap accreditation, an international accreditation program for the aerospace industry. In keeping with aircraft manufacturers making a foray into Southeast Asia, mainly Malaysia, the company established a Malaysian subsidiary, Asahi Aero Malaysia Sdn. Bhd. (AAM), in 2015, and by capitalizing on its high technological capabilities concerning aerospace parts, has been conducting business to respond to the needs of aerospace industry customers mainly in Southeast Asia. JBIC provided a loan to AAM for its surface treatment business of aerospace parts.

**Thailand****SATO KOKI CO., LTD. (Shizuoka Prefecture)**

Air Conditioner Parts Manufacturing and Sales Business

SATO KOKI is a company engaged in the manufacture and sale of refrigeration cycle parts mainly used in air conditioners. In May 2006, it established a local subsidiary, Sato Koki (Thailand) Co., Ltd. (SKTCL), to supply refrigeration cycle parts to Japanese companies operating in Thailand and has been promoting further expansion of business in the country. JBIC provided a Thai baht-denominated loan to SKTCL for its manufacturing and sales business of air conditioner parts. This loan is co-financing with The Shizuoka Bank, Ltd.



Thailand

TENKING Co., Ltd. (Osaka Prefecture)

Metal Parts and Other Products Sales and Processing Business

TENKING is a company engaged in the processing and sales business of metal parts and other products. In an effort to globalize its production bases, it established a subsidiary in Thailand, TENKING (THAILAND) CO., LTD. (TTC), in 1994 and has been manufacturing metal parts, which are processed with a high level of accuracy, for digital cameras, automobiles and semiconductors. JBIC provided a Thai baht-denominated loan to TTC for its processing and sales business of metal parts and other products. This is co-financing with Kansai Mirai Bank, Limited. TENKING aims to further expand sales of its high quality products in Southeast Asia through TTC's business expansion.



Egypt

Saraya Co., Ltd. (Osaka Prefecture)

Health and Sanitation Products Manufacturing and Sales Business

Saraya is a company engaged in the manufacturing and sales business of health and sanitation products. In 2018, it established a subsidiary in Egypt, Saraya Middle East for Industrial Investment J.S.C. (SMEI). In Africa, including Egypt, and the Middle East, growth in demand for health and sanitation products, such as liquid soaps, detergents and disinfectants, is expected on the back of economic growth as well as the spread of COVID-19 in the region. JBIC provided a loan to SMEI for its manufacturing and sales business of health and sanitation products. This is co-financing with MUFG Bank, Ltd. In addition to increasing market share of hygiene products in Egypt and other parts of Africa, Saraya aims to contribute to the region's more effective countermeasures against COVID-19 through SMEI.



Germany

HIROTEC Corporation (Hiroshima Prefecture)

Automotive Parts Manufacturing and Sales Business

HIROTEC is engaged in the manufacture and sale of automotive doors and automotive exhaust components and systems for various customers, including automobile manufacturers in Japan and overseas. In 2019, it established a subsidiary, HIROTEC MANUFACTURING DEUTSCHLAND GMBH (HMDG), in Germany, one of the world's largest automobile markets, and is seeking to expand business further in the country. JBIC provided a loan to HMDG for its automotive parts manufacturing and sales business in Germany. This is co-financing with MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation.

United States**Azuma Foods Co., Ltd. (Mie Prefecture)**

Processing, Manufacturing and Sales Business of Seafood and Other Products

Azuma Foods is a company engaged in the processing, manufacturing and sales business of seafood products, mainly seafood delicacies. It supplies wholesale foodstuffs to food trading companies. In 1990, the company established a U.S. subsidiary, Azuma Foods International Inc., U.S.A. (AFI), as an overseas production base and has been promoting further expansion of business in the country. JBIC provided a loan to AFI for its processing, manufacturing and sales business of seafood products. This is co-financing with The Mie Bank, Ltd.* With the increasing popularity of fish across the world, Azuma Foods aims to expand its business further in the U.S.

* The Mie Bank Ltd. is currently named San ju San Bank, Ltd. due to a corporate merger in May 2021.

**Mexico****KUROTA SEIKI-SEISAKUSHO CO., LTD. (Aichi Prefecture)**

Automotive Parts Manufacturing and Sales Business

KUROTA SEIKI-SEISAKUSHO is a company engaged in the manufacture and sale of automotive parts for brakes and engines. As an automotive parts production base, a rise in demand is expected in Mexico on the back of economic growth and market expansion in North America. In 2014, the company established a subsidiary in Mexico, KUROTA MEXICO, S.A. DE C.V. (KRM), and is seeking to expand business in the country, which is serving as a global base of automotive parts production. JBIC provided a loan to KRM for its automotive parts manufacturing and sales business in Aguascalientes, Mexico. This loan is co-financing MUFG Bank, Ltd.

**Mexico****HIROSHIMA ALUMINUM INDUSTRY CO., LTD. (Hiroshima Prefecture)**

Automotive Aluminum Parts Manufacturing and Sales Business

HIROSHIMA ALUMINUM INDUSTRY is a company engaged in the manufacturing and sales business of automotive aluminum parts and other products. In 2010, it established a subsidiary in Mexico, ASAHI ALUMINIUM MEXICO, S.A. DE C.V. (AAMX), and has since been supplying automotive parts to leading automobile-related manufacturers. The company aims to expand its business in the country, where a rise in demand is expected as it serves as an automotive parts production base for the North American market. JBIC provided a loan to AAMX for its manufacturing and sales business of automotive aluminum parts (cast parts related to engines and transmissions) in Guanajuato, Mexico. This is co-financing with The Hiroshima Bank, Ltd.



4. Examples of Business Outcomes Relating to Environment

Supporting Environmental Conservation and Improvement Projects

Achieving both environmental preservation and economic development is globally recognized as a common challenge, regardless of country or region. Given this awareness, there are growing expectations across the world on implementing projects which lead to environmental conservation and improvement.

Various efforts in this field are underway throughout the world, including energy-saving projects to increase energy efficiency; renewable energy projects such as solar and wind power generation; urban transportation projects such as railroads that help alleviate traffic jams

and air pollution; smart grid projects that supply electricity efficiently using IT; and eco-city projects that aim to realize environmentally sustainable cities.

Amid such developments, JBIC not only confirms the environmental and social considerations aspects of individual projects but is also committed to support environmental conservation and improvement projects, such as measures against global warming.

Third Credit Line for Türkiye Kalkınma ve Yatırım Bankası A.Ş. under GREEN Operations

JBIC concluded a loan agreement for a credit line with Türkiye Kalkınma ve Yatırım Bankası A.Ş. (TKYB), the Development and Investment Bank of Turkey.

This credit line is extended as part of JBIC's GREEN operations and is intended to provide funding through TKYB, which is a policy-based financial institution of Turkey, for renewable energy projects and energy efficiency projects in the country. This is the third GREEN loan provided to TKYB, following loans in 2013 and 2015.

The government of Turkey has set forth improvement of the energy self-sufficiency rate as an important policy issue and laid down the policy to focus on the development of renewable energy resources and energy consumption efficiency. TKYB actively supports environmental preservation for the sustainable development of Turkey. This loan will contribute to reduction of greenhouse gas emissions through its support for introduction of renewable energy and improvement of energy consumption efficiency based on advanced environmental technologies.



Project Financing for Warsan Waste to Energy Project in the Emirate of Dubai

JBIC concluded a loan agreement in project financing with Dubai Waste Management Company P.S.C. (DWMC) in the UAE, which is invested in by ITOCHU Corporation, Hitachi Zosen Corporation and other entities.

The loan is intended to provide the funds necessary to build, own and operate one of the world's largest waste to energy plant in the Warsan district, Dubai, UAE and to treat waste and sell the electricity produced by the plant following the completion of construction. For JBIC, this is the first project financing offering for a waste to energy project.

The government of Dubai aims to reduce the amount of waste being sent to landfills to zero by 2032 and is promoting an increase in clean energy, including waste-to-energy. The loan is in line with the Japanese government's intention to promote high-quality environmental infrastructure systems overseas for the realization of a decarbonized society and the environment and electricity policies of the government of Dubai and will also contribute toward preserving the global environment.



Project Financing for Solar PV Project in Saudi Arabia

JBIC concluded a loan agreement in project financing with South Rabigh Renewable Energy Company (SRREC) of Saudi Arabia, in which Marubeni Corporation holds an equity stake.

The loan is intended to provide the funds necessary to build, own and operate a solar PV plant in Saudi Arabia. This is the first loan by JBIC for an independent power producer (IPP)¹ project as well as for a renewable energy project in the country.

As part of its Saudi Vision 2030, the government of Saudi Arabia announced a plan to develop 40GW of solar power generation and 16GW of wind power generation capability by 2030. This loan therefore aligns with the Saudi Arabian government's energy policy and will contribute to global energy transition and decarbonization by supporting overseas business expansion of Japanese companies intended for the realization of a decarbonized society.



Supporting Business Expansion of Japanese Companies in California, Advanced State of Global Environmental Protection

JBIC concluded a Memorandum of Understanding (MOU) with the State of California of the U.S. The objective of the MOU is to enhance active collaboration for promoting the business of Japanese companies in a wide range of areas, particularly in global environmental protection.

The MOU is intended to establish a further enhanced relationship with the State of California to promote Japanese companies' business through direct investment or by other means in a variety of areas including global environmental protection, clean mobility, clean energy such as hydrogen, renewables, and energy storage, and to enhance economic development, sustainability, and resilience in Japan and the State of California.

The State of California has announced a cutting-edge environmental policy that aims to reduce greenhouse gas emissions by 80% below 1990 levels by 2050, along with offering incentives for private sector businesses in environmental protection. JBIC has supported various projects in the State of California, where many Japanese companies are operating.

The MOU will contribute toward further deepening and developing the economic relationship between Japan and the State of California through regular meetings and reinforcement of cooperative ties between JBIC and the state government.



1. An IPP (Independent Power Producer) is an independent producer of electric power who builds and operates power facilities, and generates electric power available for sale.

Partnerships and Knowledge Sharing in the Environmental Sector

Amid growing expectations for the implementation of environment-related projects toward global environmental conservation and a low-carbon society in various parts of the world, JBIC supports Japanese overseas business deployment as well as efforts being made by foreign governments in this field, not only through financing but also by sharing information and providing knowledge

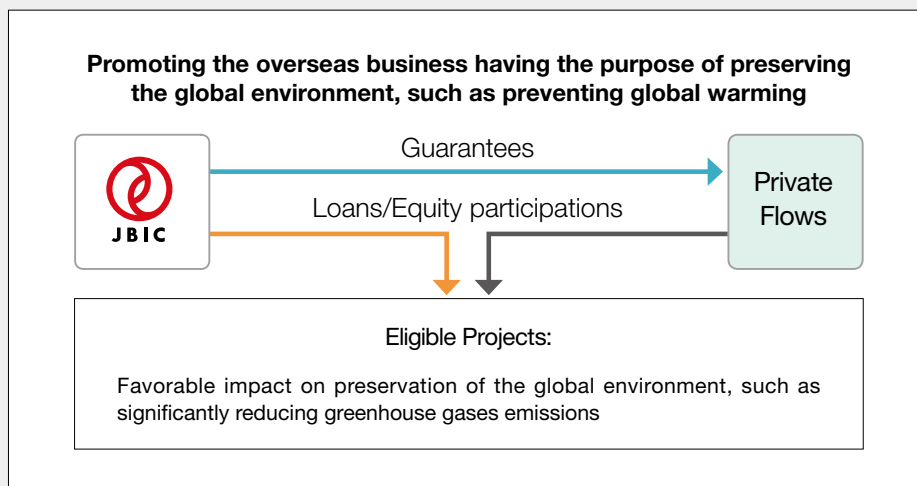
through activities such as holding seminars and participating in relevant events. JBIC also simultaneously forms close partnerships with foreign governments and government agencies, domestic prefectural and municipal governments, and other stakeholders both in Japan and abroad.

GREEN Operations

JBIC conducts environmental operations under Global action for Reconciling Economic growth and ENvironmental preservation ("GREEN"). Under GREEN operations, JBIC provides support for projects that have a high global environmental conservation effect in the form of loans, guarantees and equity participations, while mobilizing private-sector funds. Such projects include a project to construct a solar power generation plant or a power plant with high energy efficiency and a project to introduce energy-saving equipment, each utilizing advanced environmental technologies. GREEN's

main focus has been providing support for preserving the global environment, mainly for projects that are expected to significantly reduce greenhouse gases emissions, while paying attention to potential use of Japanese advanced technologies that are highly regarded around the world.

JBIC will promote overseas infrastructure development that contributes to preserving the global environment while widely utilizing the know-how and technologies of Japanese companies.



Supporting Sustainable Infrastructure Projects in Mexico

JBIC concluded a loan agreement for a credit line with the Mexican government financial institution, Banco Nacional de Comercio Exterior, S.N.C., Institución de Banca de Desarrollo (BANCOMEXT). JBIC also provides a partial guarantee for the portion co-financed with private financial institutions.

This credit line is intended to finance, through BANCOMEXT, environment-related projects in Mexico as part of JBIC's GREEN operations. This is the fourth GREEN loan provided to BANCOMEXT, following similar loans in 2011,

2014 and 2016.

BANCOMEXT is a government financial institution in Mexico with a mission to promote foreign trade and attract foreign capital. JBIC and BANCOMEXT have built a close relationship over more than 30 years through the provision of JBIC loans for promotion of the country's industrial investments and exports. This loan, which focuses on the environmental sector, will further strengthen cooperation between the two institutions.

5. Examples of Business Outcomes Relating to Studies and Collaboration with Overseas Governmental Organizations and International Organizations

JBIC conducts research and surveys related to overseas investment and international finance. These efforts include collection and analysis of a wide range of information, as well as knowledge sharing, while interacting with overseas government organizations, foreign and domestic research institutes, and experts in various fields.

Survey Report on Overseas Business Operations by Japanese Manufacturing Companies

JBIC conducted the 32nd Survey Report on Overseas Business Operations by Japanese Manufacturing Companies. Conducted since 1989, this survey attempts to identify the strategies and challenges of Japanese manufacturing companies expanding overseas, and appeals to a broad audience for its originality and continuity.



The FY2020 survey, which was conducted during the ongoing COVID-19 pandemic, reported on regularly covered topics such as “evaluations of overseas business performance,” “business development prospects” and “medium-term promising countries or regions for overseas business operations.” In addition, this survey examined “impact of COVID-19 on the supply chain” and “prospects for SDGs” as individual topics.

The FY2020 survey was conducted under the influence of COVID-19 in addition to the U.S.-China trade conflict that has continued from 2019. Supply chains appeared to be disrupted in Japan and overseas simultaneously due to the lockdown implemented in each country, with the impact going beyond short-term inventory adjustment. According to the survey, the overseas production ratio dropped sharply to the 33% level, which is almost same level seen 10 years ago, and a recovery is currently expected by 2023. Against this backdrop, manufacturers’ willingness to strengthen and expand overseas business in the near future dropped dramatically to 59%, the lowest level since the survey started 32 years ago.

Regarding promising prospects for business operations over the next three years, China overtook India, once again returning to the top spot. It appears that this outcome was decided by COVID-19, that is, China was quick to resume its economic activity while suppressing the spread of infection, while in India, the economic slowdown worsened with their long-term lockdown, reversing the lead they previously held. In addition, it is noteworthy in the 2020 ranking of promising countries that previously inconspicuous countries such as Bangladesh (jumping from the 21st place in 2019 to 13th place in 2020) attracted attention. The impact of COVID-19 on supply chains was the greatest from April to May 2020, but is now seeing a resolution. Companies intend to continue investment to strengthen their supply chains in preparation for a next pandemic, but few respondents are considering reshoring to Japan; therefore, it appears that supply chain

reinforcement by companies is being conducted while maintaining their overseas activities.

In our survey conducting process, many voices recognized COVID-19 and the U.S. presidential election as being a game changer and expressed the intention to proactively develop new fields of activities. Although the situation is very volatile and it is difficult to draw a picture of mid-term business, some companies are looking toward a shift and optimization to a “local production for local consumption” production network to adapt to the new business environment, or are putting more resources into network digitalization. In addition to the above, we found that efforts to rediscover corporate value using a new SDGs framework have begun.

JBIC publishes its survey results and widely announces related information, such as by holding online seminars in FY2020. JBIC also hosts explanatory meetings for Japanese chambers of commerce located overseas as well as for foreign governments, and the survey’s results have been effectively utilized in policy recommendations to foreign governments.

Ranking of promising countries

Rank		Country/region
2020	← 2019	
1	▲ 2	China
2	▼ 1	India
3	— 3	Vietnam
4	— 4	Thailand
5	▲ 6	U.S.
6	▼ 5	Indonesia
7	— 7	The Philippines
8	▲ 9	Malaysia
9	▼ 8	Mexico
10	▼ 9	Myanmar
11	▲ 14	Germany
12	▼ 11	Taiwan
13	▲ 21	Bangladesh
14	▲ 15	Australia
15	▼ 12	Republic of Korea
16	▼ 12	Singapore
16	▲ 17	Brazil
18	▲ 26	U.K.
19	▼ 18	Russia
20	— 20	Turkey

Collaboration with Overseas Governmental Organizations and International Organizations

JBIC and the Asian Development Bank (ADB) held a meeting on waste management and the formation of a circular economy in January 2021 and another meeting on micro-grid development utilizing renewable energy in February 2021. JBIC and ADB signed an MOU in November 2015 to reinforce a cooperative relationship by sharing experiences and know-how in certain sectors such as infrastructure and renewable energy and discussing projects in these sectors, aiming for the promotion of quality infrastructure investment in the Asia-Pacific region. The two organizations have been

regularly holding meetings under the MOU, and the said two meetings were held as part of this effort.

At the meeting about waste management and the formation of a circular economy, particularly in the Philippines and Pacific island countries, JBIC explained related issues, such as problems with marine plastic waste in island countries. JBIC also highlighted the high level of technology and wealth of knowledge held by Japanese companies and local governments pertaining to the collection and processing of waste, waste-to-energy and recycling. ADB shared its view that the keys to solving waste processing issues are fiscal measures by the public sector and greater awareness of waste segregation among private individuals. ADB also showed interest in the technology of Japanese companies to process plastics and generate energy from waste.

At the meeting about micro-grid development utilizing renewable energy, JBIC explained the stand-alone power supply system that utilizes renewable energy and the wind power generation system that is operable in strong wind conditions such as typhoons owned by the Japanese private sector. ADB showed interest in the Japanese companies' technology and shared its view that it is crucial to structure appropriate financing according to the size of projects. One of the ADB participants showed interest in future projects run by well-experienced companies including those from Japan.

JBIC Governor MAEDA Tadashi sent a video message for LNG Producer-Consumer Conference 2020, which was jointly hosted by the Japanese Ministry of Economy, Trade and Industry and the Asia Pacific Energy Research Centre (APEREC) on October 12, 2020.

The LNG Producer-Consumer Conference is an international event annually held by host countries Japan and Qatar since 2012. It is a platform for LNG producer and consumer countries to share their long-term outlook on LNG demand and supply and to cooperate for transparency in the LNG market. The participants have

actively discussed issues pertaining to the LNG market as well as actions that producers and consumers should take to make the market more transparent and sustainable.

In the video message, Governor MAEDA made three particular remarks as follows with regard to JBIC's efforts toward ensuring flexibility of the LNG market, given the wave of de-carbonization.

- ESG is an irreversible trend. A certain transitional period is necessary for de-carbonization, and during this period, it is important to utilize LNG, which has relatively low CO₂ emissions.
- JBIC actively supports LNG-related infrastructure projects, including gas-to-power projects and LNG receiving terminal projects, particularly in Asia where the demand for energy is growing, to encourage the transition to LNG and to contribute toward reducing global CO₂ emissions.
- The keys to further development of the LNG market are the diversification of pricing mechanisms, flexible supply of LNG and competitive prices. It is particularly important to be more mindful of renewable energy prices and to set LNG prices to be as competitive as renewable energy resources in order to fully utilize LNG. JBIC will continue to support LNG projects to contribute toward enhancing the flexibility of the LNG market.

Japan, which has more than 50 years of experience in LNG imports, is the world's largest importer of LNG. JBIC has been supporting LNG projects globally since the 1970s and will utilize the insight it has gained through this experience to actively provide support for the development of the LNG market, which will lead to securing stable energy supplies for Japan. JBIC will also actively support energy resource projects of the future such as hydrogen, as well as renewable energy projects such as solar, wind and geothermal power projects.



Meeting on waste management and formation of a circular economy held on January 29, 2021



Meeting on micro-grid development utilizing renewable energy held on February 5, 2021



JBIC Governor MAEDA's video message